

BCC: Business and Labour leaders meet to discuss key business issues

Today British Chambers of Commerce Director General Adam Marshall and the heads of four other business groups meet with the Leader of the Opposition, Jeremy Corbyn MP, and senior members of the Shadow Cabinet to discuss the key issues facing businesses across the UK.

At the meeting, set to take place this afternoon (Monday), the BCC will underline the importance of sustained and constructive communication between the Labour Party and business, both at Westminster and across Britain.

BCC Director General Adam Marshall will emphasise the huge contribution businesses of all sizes make to British society and to national prosperity, as well as feedback from business communities across the UK seeking a more positive tone on business issues from Labour, as the major party of opposition.

On Brexit, Marshall will urge opposition leaders to prioritise answers to the many practical questions facing businesses across the UK – and for clarity on Labour's stance on the UK's future relationship with the European Union.

At the same time Marshall will remind opposition leaders that even the best possible Brexit deal won't matter in the longer term if the right conditions aren't in place for enterprise and growth here in the UK. More attention to domestic economic priorities, including training, digital connectivity, infrastructure and long-term industrial strategy is needed to boost business confidence and investment.

Ahead of the meeting, Dr Adam Marshall, Director General of the British Chambers of Commerce (BCC), said:

“At a time of great change and uncertainty, the relationship between business and political parties across the spectrum is of critical importance. Business communities across Britain want to see sustained, constructive communication with government and opposition alike, with an honest dialogue about both shared interests and issues where we disagree.

“Businesses tell us they want to hear a more positive tone from Labour's leadership, and a clearer acknowledgement that companies of all sizes help create good jobs, thriving communities, and economic prosperity.

“At the same time, businesses want to see the parties at Westminster set aside their differences and unite in the national interest on issues like education, workforce training and better infrastructure, where the UK must do more to stay competitive in a changing world. As the UK prepares to leave the EU, it's time for politicians of all colours to set short-termism aside and come together to fix the foundations for future growth.”

Ends

Notes to editors:

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 52 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: www.britishchambers.org.uk

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BCC: Transition must deliver clarity and certainty for trade

Commenting on the speech by David Davis on a transition period after we leave the European Union, Adam Marshall, Director General of the British Chambers of Commerce (BCC), said:

“An overwhelming majority of our businesses, large and small, want a standstill transition agreed by the UK and the EU without further delay.

“UK businesses and their European trading partners expect the negotiators to deliver a clear sense of what the future trading relationship will look like, and a sensible transition that gives them both immediate certainty and adequate time to prepare for future changes to the trade rulebook.

“A key transition priority is to ensure that UK exporters and importers maintain the same terms of trade with those countries currently covered by EU free trade agreements, for the length of the transition. The onus will then be on the UK government to secure the benefits of these agreements for the future.”

On the UK’s ability to negotiate new trade deals during a transition period, Marshall added:

“While our businesses want the UK government to explore new and upgraded trading relationships around the world, their most important priority is to

secure the significant levels of market access British businesses may lose, rather than the unproven potential of new agreements elsewhere. In the immediate future, effort must not be deflected from guaranteeing the benefits of existing trade deals for a symbolic and rushed ‘quick win’ elsewhere.”

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[BCC comments on GDP figures for Q4 2017](#)

Commenting on the preliminary UK GDP figures for Q4 2017, published today by the ONS, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“The preliminary estimate of UK GDP growth indicates that the UK economy picked-up pace in the final quarter, with growth at its highest since the second half of 2016. That said, the yearly figure of 1.8% UK GDP growth is below historic trends – a particular disappointment given the rapidly improving global economy.

“Despite the improvement recorded at the end of 2017, UK economic growth is likely to become more sluggish over the coming quarters with household spending, a key determinant of UK growth, likely to remain stifled by falling real wages and weakening consumer confidence.

“Business investment is likely to remain weighed down by Brexit uncertainty and the cost of doing business in the UK. While the outlook for UK exporters is for solid growth this year, the contribution of trade to UK GDP growth is

expected to remain limited by similarly solid growth in imports, with little evidence of import substitution despite their rising cost.

“With the UK economy in a more subdued period, more needs done to stimulate economic activity, including addressing the chronic skills shortages, our creaking physical and digital infrastructure and the burden of upfront business costs, that continue to weigh on the UK’s long-term growth prospects.”

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[BCC: Labour market remains strong but skills shortages start to bite](#)

Commenting on the labour market figures for January 2018, published today by the ONS, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“The rise in employment and continued decline in unemployment is further evidence that the UK labour market remains a key source of strength for the UK economy.

“It is possible that UK labour market conditions may cool over the next year, as sluggish economic growth and Brexit uncertainty take their toll on firm’s recruitment intentions. However, we expect that while the UK unemployment

rate will drift up to a peak of 4.7% this year, it will remain significantly below the long-run average.

“The continued rise in the number of vacancies to a new record high is further evidence that skills shortages are at critical levels. The BCC’s own Quarterly Economic Survey confirms that the growing skills gap is a major drag on business activity, hitting investment and productivity.

“While it is encouraging that regular earnings growth picked up slightly, subdued economic conditions are likely to weigh on wage growth over the next year. As a consequence, pay growth is likely to remain stubbornly below price growth over the near term, dampening consumer spending, a key driver of UK GDP growth.

“More must be done to close the UK’s skills gap, including easing upfront business costs to help firms recruit and train staff, and deliver a future immigration regime that supports the needs of the UK economy.”

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