

PRIME MINISTER'S SPEECH TO CBI

Check against delivery

I look around this room and see people I've been on trade missions with all around the world to Africa, China, India, Russia, Mexico, Brazil.

It's great to see Aggreko here – we were in Africa together and I'm glad you've sealed that deal in Cote d'Ivoire and are selling in one hundred countries today.

Diageo are here – we drank some whiskey in India and they liked it so much they bought the company. And now with that huge United Spirits deal they're the biggest premium drinks company in the world.

We've got Ian King here – just a couple of weeks ago I was in the Gulf with him and BAE Systems and we're stepping up our efforts with the Emiratis, the Omanis and the Saudis to keep on proving that the best fighter jets are made right here in the UK.

And of course, Roger – I am delighted that we were able to help Centrica get those deals done with Qatar and Norway.

Britain is selling to the world again that is a vital part of my job – and what this economy needs.

I am also determined we make the most of the Olympics and Paralympics too.

In Sochi, in Russia, we've won 60 contracts ahead of their winter Games designing the stadium, building the roof for the ice-skating rink, providing legal services and a lot more.

In Rio, in Brazil, we've already got over £70 million in deals done ahead of 2016.

Next year we're planning more trips to India and China – and I hope we'll have a lot of you there too.

Because frankly, we need this buccaneering, deal-making, hungry spirit now more than ever.

Britain is in a global race to succeed today and you don't need me to tell you that.

Every day the people in this room are fighting to win contracts in Indonesia, India, Nigeria.

Every week you step off aeroplanes in the South and East and feel the pace of change there.

You know what the global race means because you're living it.

And I'm here today to tell you this Government gets it.

We get that the world is breathing down our neck.

And we get what British business needs.

You need us to deal with our deficit.

To cut business taxes so we can compete.

To have a proper industrial strategy to get behind the growth engines of the future.

To reform education so we turn out the brightest graduates and school leavers.

To reform welfare so it pays to work.

These are the key steps to Britain thriving in this global race.

But it's not just about policies – it's about attitude.

You need us to be tough. To be radical. To be fast.

I'm going to tell you what that means.

First, you need a Government that is tough; that can take the big, difficult decisions where they really matter and nowhere does that matter more than on sorting out the deficit.

Never forget – we inherited a deficit bigger than Spain's. Bigger even than Greece.

This has meant taking decisions no other government had dreamed of taking before.

Capping welfare. Freezing child benefit. Raising the state retirement age.

Like I said – incredibly tough decisions.

But here's the thing.

Being tough on the deficit doesn't mean being simplistic – salami slicing budgets and taking an axe to everything.

It's got to mean prioritising the right things backing enterprise, growth and business – even in the teeth of fierce opposition.

That's what we've done.

Yes, we've made significant cuts to some budgets, like the business department. But at the same time we've protected the science budget and funded record numbers of Apprenticeships.

Yes, we've had to put up some taxes but we've cut taxes on business and entrepreneurs.

Corporation tax – coming down to the lowest rate in the G7. And yes, the top rate of tax has been cut too because you cannot on the one hand say “Britain's open for business” and on the other have the highest top rate of tax in the G20.

So this is what being tough means.

Doing what's right for our future; taking on all the noisy lobby groups that want to pour money into today and forget about tomorrow.

And this approach is working.

The deficit – cut by 25 per cent.

Interest rates – at record lows.

A million new private sector jobs created in two years.

Exports up dramatically.

That's what tough government has helped deliver.

You needed government to be radical too – to shake up the status quo especially in education.

As the CBI says in its report today, this is critical to thriving in the global race.

We took the view that massive structural change was needed.

Why? Because there were three big problems failing schools; coasting schools; and that long-running failure in Britain on technical and vocational education.

Our changes are dealing with all three.

Instead of a monolithic state system with no real competition we've introduced free schools and created more than 2000 Academies – free to innovate and teach how they want.

This is having a massive effect already.

Inner-city Academies backed by sponsors – including business – in some of the poorest areas are getting extraordinary results – better than they're getting in the leafy, well-off suburbs.

We've been utterly intolerant of failure too raising the bar on what we expect, and when a school falls below that bar – getting an Academy sponsor to take over as a matter of urgency.

We said we'd turn the 200 worst primary schools into Academies by the end of this year, we're on track to achieve it – and next year we're going to double that to 400.

As for technical education – new University Technical Colleges are opening and we are clearing up the baffling array of qualifications and insisting on rigour.

Like I said – big structural changes.

By the end of this Parliament we're going to have thousands of new Academies, scores of new free schools a system that is diverse, that welcomes competition and encourages innovation.

And we're having an all-out war on dumbing down too.

When we came to office primary school pupils went into their maths exam with a calculator – we're ending that.

We had GCSEs based largely on course-work and modules – now we're moving to more final exams.

And we inherited a system where just 15 per cent of pupils got good GCSEs in English, Maths, Science, a language and a humanity.

This is crazy. Employers like you are crying out for these skills.

There's not a job in the world where you don't need a good grasp of English and maths so with the new English Baccalaureate we're putting them right back at the heart of education.

And all this isn't about looking back to the 1950s - it's about looking forward to help our children compete in this world and we'll do whatever it takes to help them do that and help you get the bright, skilled workers you need.

So this government has been tough and we've been radical.

But there's something else you desperately need from us – and that's speed because in this global race you are quick or you're dead.

Let me be clear: we have made some massive steps towards leaner, faster government.

Today the civil service is smaller than at any time since the Second World War.

Some departments have had central overheads cut by 30 per cent.

We've cut the number of quangos by nearly 200.

Last year, we cut wasteful spend by more than £5 billion this year we're on track to save more than £8 billion.

And this goes all the way to the top.

The Cabinet I chair is now a Growth Cabinet

I go around that table and hold people to account for progress on everything from superfast broadband to house-building, in a way that has never happened before.

But we need to do more – because government can still be far too slow at getting stuff done.

You know the story.

The Minister stands on a platform like this and announces a plan then that plan goes through a three month consultation period; there are impact assessments along the way; and probably some judicial reviews to clog things up further.

By the time the machinery of government has finally wheezed into action, the moment's probably passed.

Government has been like someone endlessly writing a 'pros and cons' list as an excuse not to do anything at all.

Consultations, impact assessments, audits, reviews, stakeholder management, securing professional buy-in, complying with EU procurement rules, assessing sector feedback this is not how we became one of the most powerful, prosperous nations on earth.

It's not how you get things done.

As someone once said, if Christopher Columbus had an advisory committee he would probably still be stuck in the dock.

So I am determined to change this.

Here's how:

Cutting back on judicial reviews.

Reducing government consultations.

Streamlining European legislation.

Stopping the gold-plating of legislation at home.

And quite simply: getting our roads and railways built more quickly.

Let me say a quick word on each.

First, judicial reviews.

This is a massive growth industry in Britain today.

Back in 1998 there were four and a half thousand applications for review and that number almost tripled in a decade.

Of course some are well-founded – as we saw with the West Coast mainline decision.

But let's face it: so many are completely pointless.

Last year, an application was around 5 times more likely to be refused than granted.

We urgently needed to get a grip on this.

So here's what we're going to do.

Reduce the time limit when people can bring cases.

Charge more for reviews – so people think twice about time-wasting.

And instead of giving hopeless cases up to four bites of the cherry to appeal a decision, we will halve that to two.

Next, government consultations.

When we came to power there had to be a three month consultation on everything and I mean everything, no matter how big or small.

So we are saying to Ministers: here's a revolutionary idea – you decide how long a consultation period this actually needs.

If you can get it done properly in a fortnight – great indeed the Department for Education has already had a consultation done and dusted in two weeks.

And we are going further, saying: if there is no need for a consultation, then don't have one.

The next hurdle is excessive European legislation.

It holds us back. It clogs things up.

So we are fighting back hard.

We're having EU accounting rules reduced and micro-enterprises exempted.

Last month I worked with Angela Merkel to stop a new torrent of rules and regulations reaching the in-tray.

So now - for the very first time in Brussels – we have a commitment to look at existing regulations as well as new ones coming in.

This is about finally getting that ratchet of European legislation to start going in the opposite direction and every summit I go to, every meeting I have with other leaders I am making that happen.

But the problem isn't always the legislation itself, it's how we interpret it.

You get laws gold-plated with reams of pointless reports.

Take the Equality Act.

It's not a bad piece of legislation.

But in government we have taken the letter of this law and gone way beyond it, with Equality Impact Assessments for every decision we make.

Let me be very clear.

I care about making sure that government policy never marginalises or discriminates.

I care about making sure we treat people equally.

But let's have the courage to say it caring about these things does not have to mean churning out reams of bureaucratic nonsense.

We have smart people in Whitehall who consider equalities issues while they're making the policy.

We don't need all this extra tick-box stuff.

So I can tell you today we are calling time on Equality Impact Assessments.

You no longer have to do them if these issues have been properly considered.

That way policy-makers are free to use their judgement and do the right thing to meet the equalities duty rather than wasting their own time and taxpayers' money.

Last on my list – and it overlaps with some of the above – is getting our roads and railways built more quickly.

In the 50s it took us 8 years to design and build the first 50 miles of the M1.

Today it can take that long just to widen one section of a motorway.

So we are speeding things up.

Since we came to office we haven't just announced a load of road and railways schemes yes – we have actually got diggers on the ground on the A23, the M62, the M4, M5 and M6.

What's more it's our ambition to cut the time it takes to upgrade our roads in half.

So we are determined to dismantle some of the procedures that have been slowing us down – and slowing you down.

But none of this will mean much unless we have a change of culture in Whitehall too.

Now let me be clear: over the past two and a half years I've worked with exceptional civil servants who are as creative and enterprising as any entrepreneur and they are as frustrated with a lot of this bureaucratic rubbish as I am.

But the truth is, Whitehall has become too risk-averse too willing to say 'no' instead of 'yes'.

There are understandable reasons for that.

When you have lobby groups lined up to criticise every action you take and Parliamentary Select Committees ready to jump on every bump in the road then the rational choice is to be cautious – even over-cautious.

But for the sake of our country's progress we have got to cut through this.

I want every Department in Whitehall to be a growth department.

I've insisted that every Permanent Secretary has growth as a key objective.

And I want every Minister and every official to understand that the dangers are not just in what you do but what you don't do that the costs of delay are felt in businesses going bust, jobs being lost, livelihoods being destroyed.

When this country was at war in the 40s, Whitehall underwent a revolution.

Normal rules were circumvented. Convention was thrown out.

As one historian put it, everything was thrown at “the overriding purpose” of beating Hitler.

Well, this country is in the economic equivalent of war today – and we need the same spirit.

We need to forget about crossing every ‘t’ and dotting every ‘i’ and we need to throw everything we’ve got at winning in this global race.

And I’ll tell you why.

Not for our country to climb the ranks on some global leader-board for the sake of it but for the sake of our people and their aspirations.

When we talk about re-industrialising Britain, about hi-tech industry and high-value manufacturing this is about getting decent well-paying jobs for our people; opportunities to be had, a sense that everyone can get on if they try.

This is what it’s all about.

Getting Britain on the rise.

Helping our people thrive.

Building an economy that’s not just worth something but worthwhile.

And we'll build it together.