Keir Starmer: We’ll cut the weeds of regulation and let growth bloom

Labour’s policies will unlock investment, slash red tape and usher in a ‘big build’ era, the prime minister writes

Keir Starmer
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Growth is the defining mission of this government. It is the only way to deliver our Plan for Change and put more money in people’s pockets. The only cure for the sickness of stagnation and decline.

We should be confident about Britain’s prospects. Inflation is falling. Wages are growing at their fastest rate for three years. More than 70,000 jobs have been created since July. The UK was voted the second most attractive destination for private investment. We are on track to be the fastest-growing major economy in Europe — that is what leading agencies like the International Monetary Fund predict.

But as the chancellor will set out in her speech on Wednesday, we can go further and faster. Because there is a morass of regulation that effectively bans billions of pounds more of investment from flowing into Britain. Thickets of red tape that, for all the Tories talked a good game, was allowed to spread through the British economy like Japanese knotweed. Our pledge today is that this government will do what they could not. We will kick down the barriers to building, clear out the regulatory weeds and allow a new era of British growth to bloom.

This may seem like an unusual goal for Labour politicians. But deregulation is now essential for realising Labour ambitions in this era — a crucial component of my Plan for Change. If we don’t deregulate the planning system, then we cannot spread the security of home ownership to the next generation. If we don’t simplify environmental protections, then we cannot decarbonise our electricity grid and generate cheaper, homegrown energy. And if we don’t curb regulator overreach, then we won’t unlock the investment needed for a more prosperous future.

Time and again, my conversations with leading CEOs come back to this. Blue chip companies who are excited to do business in Britain. Shovel-ready projects ready to go. But then come the objections. Then come the vexatious legal challenges. The endless consultations with a myriad of government regulators.

This is exactly what happened in the now-infamous case of the £100 million HS2 bat tunnel. Taxpayer money spent on a ludicrous conclusion, enforced by regulation. Yet, for many investors, it is often easier to quietly shelve their ambitions and look elsewhere. An anatomy of decline that adds up to the bigger story. A British economy that does not invest to anything like the levels of our competitors. And so finds itself, in the middle of a generational global race on artificial intelligence, at risk of being left behind.

We are determined to change this. After all, growth is a partnership. And as I made clear going into the election, Labour is the party of wealth creation. Our job is to work with businesses to create the environment that best allows them to thrive. Last year, our priority was dealing with the nightmarish inheritance left by the previous government. It is simply not possible for Britain to face down the challenges of our volatile world without a strong foundation of economic stability. And it is not possible for working people to realise their aspirations without the security good public services provide. Fixing this foundation was the right approach for the national interest. Moreover, economic stability helps attract long-term investment and this is now bearing fruit. Already, business investment is at its highest level for nineteen years.

But with that vital work done, this year we have shifted gears with a raft of pro-growth deregulation policies. We will streamline environmental obligations. We will limit the cynical legal challenges that block major infrastructure projects. We will strip away the years of consultation that drown builders. We will cut the number of statutory consultees who can slow or veto projects. We will intensify development in urban areas and around key transport hubs — like train stations — with a presumption in favour of quality building. Every state regulator will be given an explicit duty to consider growth. Artificial intelligence will be placed at the heart of our new industrial strategy. The untapped wealth of defined benefit pension schemes will be unlocked to back British business. We will finally grasp the nettle on major national infrastructure projects and speed up decision-making. And we will keep our foot firmly on the accelerator when it comes to planning reform. A “big build” that will create new homes, warehouses and data centres, the length and breadth of our country.

Because ultimately, this is how every new era of growth starts. A change in the economic weather can only ever come from a supply-side expansion of the nation’s productive power. In the 1980s, the Thatcher government deregulated finance capital. In the New Labour era, globalisation increased the opportunities for trade. This is our equivalent. For too long regulation has stopped Britain building its future. On Wednesday, the chancellor will show how this government will sweep it away. And working people will benefit.

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