

The Rt Hon Kemi Badenoch MP
Secretary of State
Department for Business and Trade
1 Victoria Street
London
SW1H 0ET

14th February 2023

Dear Secretary of State,

Congratulations on your recent appointment as Secretary of State for Business and Trade. On behalf of [the Recruitment & Employment Confederation](#) (REC), I wish you every success in your new role at a particularly critical time for the UK's economy.

The REC represents over 3,000 recruitment businesses, who place a million workers into permanent roles in normal times, and a million temporary workers into workplaces on any given day. Our sector is bigger in scale than either law or accountancy. REC members are advisors, planners and partners with businesses in every sector on recruitment, retention, growth and productivity. Prioritising the UK's business potential both at home and abroad is critical for growth, and REC members are ready to play our part in this. We were delighted to see you describe your role as "Minister for Economic Growth" in a recent interview – that needs to be our focus, not just in economic departments – but in those parts of government that may not see the impact they have on the UK's economic potential.

Our [Overcoming Shortages report](#) showed the economic impact of not addressing labour and skills shortages, which could see the UK economy lose up to £39bn a year from 2024. We are at a critical moment. We need a long-term plan that can underpin business confidence and business investment. I hope the creation of your department will help to deliver this.

Building on our recent [Spring Budget submission](#), there are several key areas we would like your department to prioritise, and hope we can work together on:

- Provide regulatory stability to industry by taking a pragmatic approach to reforming EU law, using deregulation as a targeted tool to drive growth. We were pleased that the department has recently proposed some pragmatic changes to the EU Working Time rules – it is better to proceed this way than to sweep away all EU regulation at the end of the year. The Department needs to clearly signal what its plans are on this, given the sheer volume of law under consideration.
- Ensuring the legal framework that we have is properly enforced, and that gaps in the system are tackled – to protect good businesses and all workers.
- Working with relevant departments to reform the skills system so that it catalyses business investment and enhances labour market participation.
- Working with to better understand and address the causes of economic inactivity, including addressing key issues such as childcare support.

We look forward to working with your department, building on our existing strong relationship with BEIS ministers and officials, to help deliver this important programme for growth and prosperity. I would be happy to pick up on any of these issues with you at a meeting. Ellie Goddard (ellie.goddard@rec.uk.com) in my office can arrange a time.

I look forward to working with to help Britain's businesses drive growth and prosperity.

Yours sincerely,



Neil Carberry
Chief Executive