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Minutes

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Minutes of a Meeting of the Cabinet
held at 10 Downing Street on

THURSDAY 6th February 2020
At 0815 AM

P R E S E N T

The Rt Hon Boris Johnson MP
Prime Minister

The Rt Hon Sajid Javid MP
Chancellor of the Exchequer

The Rt Hon Priti Patel MP
Secretary of State for the Home Department

The Rt Hon Michael Gove MP
Chancellor of the Duchy of Lancaster

The Rt Hon Robert Buckland QC MP
Lord Chancellor and Secretary of State for Justice

The Rt Hon Matt Hancock MP
Secretary of State for Health and Social Care

The Rt Hon Andrea Leadsom MP
Secretary of State for Business, Energy and
Industrial Strategy

The Rt Hon Elizabeth Truss MP
Secretary of State for International Trade and
President of the Board of Trade and Minister for
Women and Equalities

The Rt Hon Thérèse Coffey MP
Secretary of State for Work and Pensions

The Rt Hon Gavin Williamson CBE MP
Secretary of State for Education

The Rt Hon Theresa Villiers MP
Secretary of State for Environment, Food and Rural
Affairs

The Rt Hon Robert Jenrick MP
Secretary of State for Housing, Communities and
Local Government

The Rt Hon Grant Shapps MP
Secretary of State for Transport

The Rt Hon Julian Smith CBE MP
Secretary of State for Northern Ireland

The Rt Hon Alister Jack MP
Secretary of State for Scotland

In discussion, the following points were made:

- a) the economic impact of the virus was unknown, and would depend on whether it was contained. In 2003, when the SARS virus broke out, China was 4 per cent of the global economy. It was now 17 per cent, and last year the growth in the global economy due to China was more than the EU, US and Japan put together;
- b) the previous Monday, the Beijing stock exchange had fallen by 8 per cent, its biggest fall in four years. There had also been reports of a 25 per cent fall in oil imports to China that month;
- c) the knock-on impact for the UK economy was also uncertain. Estimates showed that UK GDP growth could be significant: 0.1-0.2 percentage points. The impact would be felt most by exporters and importers;
- d) companies were reluctant to quantify the impact at this stage. However, Airbus had closed its factory in Tianjin. There would also be an impact on the automotive component supply chain. Ships from China took 30-40 days to arrive in the UK, so the impact was only just starting to be felt; and
- e) coronavirus had also spread to developing countries such as Kenya, Ethiopia, Zambia, and Nepal. The Department for International Development was working with these governments on their preparedness and capability to test and isolate people should the virus spread further. The UK had committed to contribute to the World Health Organisation appeal, and was also funding the development of a rapid diagnostic tool. The Department for International Development and Foreign and Commonwealth Office were working together to coordinate the UK Government's international efforts.

Summing up, THE PRIME MINISTER said that confidence was also contagious, and it was important that the Government remain measured in its response. The Secretary of State for Health and Social Care had taken the right tone. Often the significant economic damage of a crisis came from political overreaction rather than the problem itself. This had been true of Bovine spongiform encephalopathy (BSE).

The Cabinet:

- took note.