

Our two sessions this morning are of the utmost importance for the prosperity of this country. Labour know how to spend your money; they have no understanding of how money is made.

We do, and today, already, we have heard from Theresa Villiers about her vision for our infrastructure; we have heard from David Willetts about his vision for science and education and skills; and we say a massive thank you to Doug Richard and to Tim Campbell for their fantastic insights into the real meaning of enterprise and business support. Somehow, after listening to Doug, I don't think Gordon Brown would survive long in the Dragons' Den.

Without successful business there is no wealth, no tax revenue, no health care, no education, and no progress. Governments don't create wealth; businesses do. Only well-functioning markets deliver prosperity.

Capitalism is, and forever will be, the most natural and efficient system for meeting the demands people have in their daily life. At its best, it harnesses private interest for the public good and brings with it the prosperity and yes, the freedom, which every country deserves.

Sometimes a business will fail. But let's face it: that is no comfort to those whose fate is caught up in the wake of any such failure.

Seek profit, yes, but never forget that a business is there to satisfy people's need; it is not there to sustain their excessive greed.

Gordon Brown speaks as if recent events are somehow all our fault. He wilfully distorts past events as if his decisions on banking regulation were somehow our decisions and not his, and as if his colossal misjudgements on the British economy were somehow only the product of global markets, and not him at all.

But the fortunes of the UK economy, and the fortunes of our business community are, undeniably, in large part, the product of his ten years as Chancellor.

We handed over to Labour the best economy in the world. As a result, we have enjoyed nearly 14 years of continuous growth. During that period, he should have recalibrated the British economy to cope with the pressures of global competition. At the end of that period we should now have lower taxation, government borrowing converted into surplus, higher savings and a massive pensions pot.

Instead, the opposite is the case. He has squandered a decade of economic growth, and it proves once again the enduring truth of the last 50 years: that Labour governments always run out of money.

One of his worst faults is to boast about the supposed creation of three million jobs. But at the end of this prosperous decade we have 1.7m people unemployed. How can he possibly be proud of that? And it's no good anyone saying 'On yer bike' because in Brown's Britain someone will have pinched it!

Just imagine if Gordon Brown's government accounts were subject to the same discipline as the accounts of a business. Every day, any business has to handle its profit and loss and its cash flow. It has to declare its total pension liabilities; it has to be accountable to shareholders honestly; and it has to publish its balance sheet. What if, every year, instead of Gordon Brown tricking and conning the British people by fiddling the figures and cooking the books he had to publish the nation's balance sheet which he has created?

Debt figures running into tens and hundreds of billions would suddenly be unearthed, all of which are a claim on the income and prosperity of future generations. All of that PFI debt, and all of those pensions liabilities, instead of being hidden, would have to be declared in the open.

He says he is prudent, but he buries the debt. He says he is prudent, but he borrows the money. He says he is prudent, but he mortgages the country.

And how can this man claim to be prudent when he was the very person, against all the best advice, who blew away billions by selling all our gold at the bottom of the market?

Instead of Gordon Brown trying to put all the blame on banks for their conduct, if he wants to lay accusations of irresponsibility on anyone, he need look no further than his own years in the Treasury. He likes to castigate Margaret Thatcher for saying that good government is like good housekeeping, but while he lampoons her; we will laud her.

Margaret Thatcher was right; Gordon Brown is wrong. And we should throw his own words right back at him and say 'Yes Gordon. Perhaps on one thing you are right - there should be no rewards for failure.'

In the world economy, it matters what governments do.

The Treasury and the Department for Business oversee the main wealth-creating energies of the country. We are lucky, both as a party and as a country, to have George Osborne at the helm of our economic team. His team and mine work closely together to address the ferocious challenges we know we will inherit should we win the next election. Both our parliamentary teams have real business experience.

The only two on Labour's side who do have both decided to go. Lord Drayson has left to drive racing cars, and Lord Jones - he of this great city, Birmingham - has said he's going to leave. We didn't think he'd last, because basically he's one of the good guys. Digby - we think you have been doing a good job, and when you go, do you know what: the government front bench is going to look, err.... a little thin!

One thing Digby Jones and I strongly agree on, is that you can't build an economy on banking and housing alone.

Manufacturing matters. It is actually a sector which has been doing rather well. It is rubbish to say that Britain is no longer a serious manufacturer. We are. And we must remain so. That is why we as a Party have worked closely with Rolls Royce so that our understanding of their business can be converted into the policies we need to make Britain the highly skilled, inventive, leading-edge manufacturer we have to be.

It is our view that if you believe in business, then the Department for Business matters too. The Lib Dems want to abolish it. I believe that the Department for Business needs to be a strong voice for Britain in the world, and a strong voice for business in Whitehall. If I were running it, I would fight for business before breakfast, before lunch and before and after dinner, and I say to the Liberal Democrats, how can you say you are a party of business when virtually your only policy is to abolish the whole department?

We have massive responsibilities. One of our main tasks is to address the looming energy gap and the severe dangers that might threaten our energy security. Too few people have grasped the severity of the threat we face. Again, the Liberal Democrats inhabit a world of illusion. Nick Clegg has proudly said that he would not allow any new coal-fired power stations and no new nuclear power stations either. So now we know the truth about the Liberal Democrats - there is just no way they are ever going to get any power.

We, however, will do our utmost to plug that energy gap. All carbon-friendly methods must be allowed to make their contribution to our electricity generation and to our energy security, and that means renewables, and it means carbon-free coal, and it means cleaner gas, and yes, with a fair and reasonable climate for investors, but without subsidies – it may mean nuclear power stations too.

But there is another side to the energy equation - fuel poverty and energy efficiency - it really matters, and that is why we devoted so much of yesterday's debate to those issues.

Looking at the last ten years, I am enraged by Labour's claim to be the party of business. If they were, they would have freed it steadily from taxation and bureaucracy. But oh no. Every budget and every law tends to add to the burdens businesses face.

It is the instinct of this government to tax anything that moves, or even anything that doesn't.

Business rates have steadily risen. They seem set on attacking all those small companies run by a husband and wife, by abolishing the right to share their tax liability. They have slammed a punitive tax on properties, in the middle of a downturn, even when those properties are empty and unable to find a tenant. They have deceitfully increased corporation tax on small companies, and I can say emphatically today, that that is an increase which we would reverse.

Next month, we will receive the report we have commissioned on regulation from Sir David Arculus. We value the work he and his team have done, and we look forward to studying their findings.

I hope to seize on his recommendations and in doing so begin with three clear missions of my own.

First, I want the Business Department to be the clearing house for all the directives which come from the EU. We should see them coming from the start, and we should resolve, with indefatigable determination, to make sure that any 10 ten page EU directive is not then stupidly converted into 100 pages of UK law.

Second, we should introduce the automatic reduction of regulation by building in expiry dates with sunset clauses in the original law.

And my third mission on regulation is to arrest that cascade of bossy rule-making which flows from the EU, via an act of parliament, into secondary legislation, through government guidelines, into council rules, getting ever more detailed and officious on the way....so that anyone who feels that they are being told what to do by officials without any proper basis in law can appeal to someone who is empowered to tell the council or the bureaucrat to get off their back!

Our governing principles on regulation, therefore, can be stated simply as the three 'R's: review, repeal and redress.

Review the regulatory creep from Europe; repeal regulations which are unnecessary; and redress the balance between business and bureaucracy.

This department matters. I and my team would travel the world and once again make sure that the Union Jack conveys to all its corners the clear message that Britain is a country fit for their business.

We would refocus regional policy away from wishy-washy statistical targets, and back onto business-led, enterprise-based, economic development in those areas of the country that most need a leg-up from government.

We would re-shape business support to make it far more helpful to those entrepreneurs who want to get on with their business without facing a confusing mass of options.

We would review and reshape employment law to make it less intimidating for the start-up business.

And we would suspend the enforced closure of our post offices to safeguard the remaining network and the lifeblood of our communities.

Let me make it clear. We are the party of business. With David Cameron in Number 10 business will have a strong voice in government. To all business, big and small, let me say that we know that without you we have nothing. You are the lifeblood of our economy and our prosperity. We know what we owe to you; if the people put their trust in us, we will not let you down.