

Government announces Automotive Industrial Partnership

Business Secretary Vince Cable has announced £11.3 million of government funding alongside a £2.8 million cash investment and £16.4 million in-kind contributions from industry to develop an Automotive Industrial Partnership. The project, developed through the Automotive Council's Business Environment and Skills Group, brings together major automotive businesses to ensure future skills needs are met for UK vehicle manufacturers and supply chain companies. Manufacturers will work together to identify and meet the skills needs for their current and future workforces, ensuring the UK automotive industry can maintain and build upon its current growth momentum. Young people will also gain first-hand experience of the industry in action, inspiring future generations of engineers and technicians. This initiative includes creating an industry standard "jobs framework" and identifying employment "hot spots", to encourage more young people into automotive manufacturing careers and to deliver clear development pathways to help them to progress.

Initiatives include:

- giving 4,500 9 year-olds an experience of working in the industry through a one day production simulation
- taking on 960 11 to 16 year-old Industrial Cadets, to develop vital industry skills in team working, communications and problem solving
- providing a route to work for 225 19 plus year-olds, with a 15 day programme offering vocational training and simulated work activities designed by their potential future employers. Assessing functional and employability skills will lead to further work experience at a host company, helping young people with little or no workplace experience and vocational skills on a route to possible future apprenticeships

(Source: BIS)

<https://www.gov.uk/government/news/government-and-automotive-industry-start-the-motor-on-30-million-skills-investment>

Car manufacturing figures up 1.2% in 2014

Figures published by SMMT show that UK car manufacturing defied export challenges with a year of growth in 2014. 1,528,148 cars were manufactured in the UK in the year – a 1.2% increase on the previous year and the best year since 2007. The strongest December in a decade saw 108,721 cars produced, up 27.1% on December 2013. Output for the UK market matched the growth in overall UK registrations, rising 8.0%.

CV manufacturing

CV manufacturing output fell 19.7% in 2014 but December, a month of growth, indicates a bright future. The CV manufacturing output rose by 12.6% in December, the first month of growth since July 2013.

UK engine manufacturing

The UK engine production output returned to growth with an increase of 6.7% in December. Yet, output fell 6.2% over the year, following retooling at a number of facilities.

(Source: SMMT)

<http://www.smmt.co.uk/2015/01/uk-car-manufacturing-december-2014/>

Manufacturers press ahead with further growth in orders

The CBI has published its latest Quarterly Industrial Trends Survey which reveals that new orders continued to expand for British manufacturers in the three months to January, but firms expect their export orders to tail-off in the coming quarter. The survey of 467 firms saw a rise in the volume of total new orders, led by strong demand at home and very modest growth in export orders. Manufacturing output rose at a similar pace to the previous quarter and it was notable that costs and prices fell, with unit costs edging down for the first time in over twelve years. Average domestic price deflation is at its fastest rate since 2010. Meanwhile, numbers employed in the manufacturing sector continued to grow at a solid pace. Over the next three months, firms anticipate new export orders to be flat, acting as a drag on total orders growth, while domestic orders are set to

continue rising, if at a somewhat slower pace compared to previous quarters. Output is expected to continue growing modestly. However, access to skilled labour and capacity constraints are key factors cited as likely to limit output in the next quarter, and significantly more respondents expect price competition to limit export orders. Firms do, however, remain more optimistic about the general business situation than three months ago. Looking to the year ahead, manufacturers' plans for investment in plant and machinery have strengthened, while plans for spending on product and process innovation and training/retraining remain robust.

(Source: CBI)

<http://news.cbi.org.uk/news/manufacturers-press-ahead-with-further-growth-in-orders-cbi-survey/>

UK employment figures

The Office for National Statistics (ONS) announced the employment figures for 2014 this week. There was an increase in employment and a fall in unemployment, when comparing September to November 2014 with June to August 2014.

During this period the number of people in employment increased by 37,000 (to reach 30.80 million) and the number of unemployed people fell by 58,000 to reach 1.91 million. The unemployment rate was 5.8%. (Source: ONS)

<http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/january-2015/sty-labour-market-statistics--january-2015.html>

Cross-party manufacturing MPs launch manifesto for industrial policy change

The All Party Parliamentary Manufacturing Group has launched a new [manifesto](#) ahead of the general election, calling on any future government to take what it calls 'the necessary steps' to ensure the UK becomes a global leader in manufacturing markets. The document, entitled Manufacturing Manifesto 2015, addresses what it regards as the key issues and themes currently affecting UK manufacturing and threatening the UK's potential industrial growth, including questions over innovation, skills, finance and taxation, energy, SMEs and trade and investment. The manifesto lays out 19 recommendations across these different issues, including:

- All parties should prioritise the encouragement of engineering and STEM-related apprenticeships.

These career paths should be protected irrespective of the economic climate.

- All parties should seek to simplify and streamline the process of applying for government support schemes by employing design principles, focusing on the user, from implementation to delivery.
- All parties should address the negative perception of manufacturing by encouraging and facilitating engagement between schools and manufacturers, and by ensuring high-quality careers advice that understands manufacturing.

The manifesto has been authored and signed by six leading parliamentary members of the All-Party Parliamentary Manufacturing Group: Barry Sheerman MP, Chris White MP, Gordon Birtwistle MP, Caroline Dinenage MP, John Stevenson MP and Baroness Wall of New Barnet. (Source: Policy Connect)

<http://www.policyconnect.org.uk/apmg/>



Week ahead

Commons Chambers

Monday 26 January

- Infrastructure Bill: Remaining stages

Commons Committee

Wednesday 28 January

- Business, Innovation and Skills Committee (10:30am, room tbc) – Transatlantic Trade and Investment Partnership
- Environmental Audit Committee (2:20pm, room tbc) – Transatlantic Trade and Investment Partnership

Thursday 29 January

- European Committee B (11:30am, room 10) – European Union Documents

Grand Committee

Monday 26 January and Wednesday 28 January

- Small Business, Enterprise and Employment Bill Committee