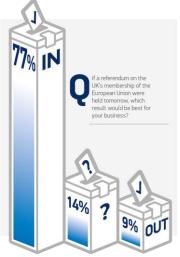
WEEK IN WESTMINSTER

4 March - www.smmt.co.uk/newsletter



SMMT survey: Remaining in Europe best for our business

Three quarters of SMMT members say remaining in Europe is best for their business, according to the results of a new independent survey. The Society of Motor Manufacturers and Traders, which represents the breadth of UK automotive businesses, from car and CV makers to parts suppliers and aftermarket companies, set out its members' position on EU membership at a press conference in London. The sector supports 800,000 jobs across the UK and contributes £15.5 billion to the UK economy. 77% of SMMT members surveyed said that if a referendum were held tomorrow, a 'remain' outcome would be best for their business, according to ComRes, who were commissioned to carry out the independent poll. It's a sentiment shared by 88% of large automotive companies who are SMMT members and 73% of SME members, with small and medium-sized businesses making up around three quarters of respondents (72%). Only a minority (9%) say leaving would be best, less than the proportion who are uncertain (14% don't know). Notably, no large companies surveyed said an exit would be in their business' best interests. SMMT commissioned the poll, carried out over a five week period in January and February 2016, to get an up-to-date understanding of the views of its members about the importance of the EU so that this vital sector for the UK economy and jobs can speak with authority in the debate. (Source: SMMT)



Policy Paper on possible models for the UK outside the EU

The Cabinet Office has published its policy paper on possible models for the United Kingdom outside the European Union. The paper is the first part of the report that the government will publish to meet requirements in the European Union Referendum Act 2015. The second part of this report, which will provide information about the rights and obligations of the UK's membership of the EU, will be published at a later date. The paper looks at a number of possible alternatives for the UK's relationship with the EU, if there were to be a vote to leave. It provides examples of countries that are not members of the EU but have other arrangements with it, specifically Norway, Switzerland, Canada and Turkey. It also looks at a possible relationship based only on World Trade Organisation membership. It sets out the main features and implications of each of the key existing models for the relationship, and assesses their suitability for the UK. Government believes that no existing models outside the EU can provide the same advantages and influence that we get from the UK's current status inside the EU. (Source: Cabinet Office)

UK engine manufacturing rises 1.5% in January

Engine production rose 1.5% in January 2-16 compared with the same month last year. 209,886 engines were built, with new UK production facilities driving growth. The home market showed the largest growth, up 14% to 89,998 units. Mike Hawes, SMMT Chief Executive, said, "UK engine manufacturing remains strong with steady growth of 1.5% in the first month of the year, as new production facilities gradually increase volumes. The importance of overseas demand was also evident: despite a moderate decline in volume, output for foreign markets still accounted for more than half of total production in January." (Source: <u>SMMT</u>)

New van market matches 2015 high in February

According to figures released by the Society of Motor Manufacturers and Traders (SMMT), the new van market achieved a steady performance in February, with registrations at the same level as this time last year, when the sector recorded a seven-year high. 13,891 new light commercial vehicles (LCVs) were registered in February - traditionally one of the quietest months of the year. Registrations of new vans below 2.0 tonnes and between 2.0-2.5 tonnes fell by 10.5% and 23.9% respectively in the month, but this was offset by an uplift of 6.2% in the 2.5-3.5T segment as demand for heavier vehicles continued to grow. Mike Hawes, SMMT Chief Executive, said, "After a record-breaking year for new van registrations in 2015, it was inevitable that such rapid growth would level off. The market's performance so far this year is in line with expectations, and although further stabilisation is expected over the coming months, this is a sector in good health - with February's figures still at high levels."

(Source: <u>SMMT</u>)

Strong growth for new car market

New car registrations continued the positive start to 2016 in February, growing 8.4% compared with the same month in 2015, according to new figures released today by the Society of Motor Manufacturers and Traders (SMMT). 83,395 new cars were registered in the month, marking the biggest February since 2004. Demand from private customers drove up the increase, up 22.6% with fleet demand down 1.4%. Registrations of alternatively fuelled vehicles went up by a fifth in February. (Source: SMMT)



LowCVP and Clean Air Alliance climate change and air quality agendas

Reflecting effects of urban air pollution alongside renewed pressure for carbon reduction, the LowCVP and the Clean Air Alliance – working with other representatives of the air quality community – have announced an initiative to help make sure that transport are joined-up as effectively as possible. The initiative, which focuses on the impacts of road transport, was launched at a seminar this week. A communiqué outlining the areas of agreement and potential collaboration between the two communities was published. The aims of the initiative are:

- To demonstrate the climate change and air quality communities working hand-in-hand
- To show how many policies aimed at tackling climate change also serve to limit air pollution
- To help identify any areas of tension or confusion between the two agendas and explore how coordinated activity can help to resolve both, for the benefit of all

(Source: LowCVP)

Week ahead

Commons Committees

Monday 7 March

• Communities and Local Government Committee (4:00pm, Thatcher room) – Business rates

Tuesday 8 march

- Treasury Committee (9:15am, Thatcher room) the economic and financial costs and benefits of EU membership
- BIS Committee (9:30am, room 6) The Digital Economy

Wednesday 2 March

 Treasury Committee (2:15pm, Wilson room) – The economic and financial costs and benefits of UK's EU membership

Commons Chamber

Tuesday 8 March

Enterprise Bill: Remaining stages

Friday 11 March

 Consideration of Private Member's Bills: EU Membership (Audit of Costs and Benefits) Bill

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