## **WEEK IN WESTMINSTER**

Week ending Friday 16 October



# Transport Secretary WMS on vehicle emissions testing

On Monday 12 October, Transport Secretary Patrick McLoughlin MP, delivered a Written Ministerial Statement (WMS) to parliament. The Secretary of State said: "I wish to inform the House of the latest developments on vehicle emissions testing, following the revelations of Friday 18 September (2015) that Volkswagen Group had been fitting so-called defeat devices to some of its vehicles. Volkswagen Group has admitted that defeat devices are present on almost 1.2 million vehicles in the UK. These are diesel-powered vehicles tested and approved under the Euro 5 standard. Other vehicle manufacturers have confirmed that defeat devices do not exist on their vehicles. We, of course, will be testing this for ourselves. I have taken a series of actions to defend the interests of UK consumers, both in the immediate and longer terms. The actions of the government will continue to be guided by the over-riding principle of protecting consumers. First, I have applied considerable pressure on the company in the UK and on EU ministers to resolve the immediate situation with speed and efficiency. This means clear information for affected drivers and acting quickly to put right the affected vehicles. I have been clear I expect VW to take every step necessary to protect its UK customers but it is right that the government carries out its own thorough and independent investigation. Therefore, second, I have announced a UK programme to retest vehicles. The Vehicle Certification Agency (VCA), the UK regulator, is running laboratory tests starting with those VW Group vehicles for which VCA has provided approvals. These tests will compare real world driving emissions against laboratory performance. We are taking steps to ensure independence; neither the cars nor the testing facilities will be provided by the vehicle industry themselves. Third, I have called for swift action by the European Commission to coordinate a pan-European approach. This is vital for ensuring that test results are available to consumers on a timely basis and to avoid duplication across different European countries. Fourth, a key element of regaining consumers' long-term trust in vehicle emissions testing is to have tests that mean what they say. The UK was in the minority amongst member states earlier in 2015 in calling for "real driving emissions" to be speedily introduced. These tests will provide useful information that consumers can trust. I met with my fellow EU transport ministers in Luxembourg on 8 October and tabled the issue of vehicle emissions testing. I pushed for both a coordinated approach to retesting of vehicles across Europe and for real driving emissions to be introduced as quickly as practicably possible. I will continue working with my European colleagues to achieve the UK's objectives." (Source: DfT)



# Transport and EAC Select Committee hold sessions on emissions

On Monday 12 October, the Transport Select Committee hosted an oral evidence session on 'Volkswagen Group emissions violations'. Evidence in the first session was provided by Paul Willis, Managing Director, Volkswagen Group UK, and Mike Hawes, Chief Executive, SMMT. In the second session, Rt Hon Patrick McLoughlin MP, Secretary of State, Michael Hurwitz, Director of the Energy, Technology and International Directorate, Ian Yarnold, International Vehicle Standards, Department for Transport, and Paul Higgs, Chief Executive, Vehicle Certification Agency provided evidence. The full transcript is available online here. On Thursday 15 October, the Environmental Audit Committee (EAC) hosted an oral evidence session on 'Diesel Emissions and Air Quality'. Oral evidence was again provided by

Paul Willis and Mike Hawes. The EAC will host its second hearing on this issue at 11:30am on 27 October, where Rory Stewart MP, Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs, and Robert Goodwill MP, Parliamentary Under-Secretary of State, Department for Transport, will be called to give evidence. (Source: <u>Transport Select Committee</u>, <u>EAC</u>)

SMMT publish new forecast report at International Summit

A new forecast report launched by SMMT this week shows that the UK automotive industry is on course to break manufacturing records by the end of the decade. The report – The Future of UK Automotive Manufacturing in 2025 and Beyond1 - was launched at the SMMT International Automotive Summit in London, and provides a comprehensive long-term outlook on the future of the UK automotive industry. Annual car production is expected to pass the two million milestone by 2020 – breaking the current record of 1.92 million cars which was set in 1972. More than 1.5 million cars were built in the UK in 2014, and acceleration in productivity and production volumes towards the end of the decade will see the UK consolidate its position as the third-largest maker of cars in Europe, behind Germany and Spain but ahead of France and a strengthening Eastern Europe. The report also predicts a rise in employment, with jobs growth in the sector driven predominantly in the supply chain. Up to 9,500 jobs will be created at source by vehicle manufacturers, but that could generate a potential extra 28,000 at component supply companies as UK manufacturers' demand for home-grown components increases. Speaking at the Summit, Mike Hawes, SMMT Chief Executive, said, "This report is further proof of the growing stature of the UK as a global destination for high quality vehicle manufacture. The automotive industry has made tremendous strides in recent years, as significant investment, along with partnership with government, has driven huge growth in production and employment. The prospect of further jobs growth, particularly in the supply chain, is extremely encouraging, while the UK's consolidation as a global hub for premium production is testament to our prowess in design and precision engineering. This success, built on improvements in productivity, workforce flexibility and skilled people, has been hardfought for; we cannot be complacent. Future growth in a fiercely competitive global market will rely upon continued government support, as well as an

attractive business environment which drives investment and stimulates innovation." (Source: SMMT)

### Week ahead

#### Commons chamber

Monday 19 October

 Statement by the Prime Minister on the European Council

#### **Commons Committees**

Monday 19 October

 First Delegated Legislation Committee (4:30pm, room 9) Draft Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015

#### Tuesday 20 October

- Business, Innovation and Skills Committee (9:30am, room 16) Government's Productivity Plan
- Foreign Affairs Committee (10:15am, room 21)
  The costs and benefits of UK membership of the EU
- Home Affairs Committee (2:45pm, Grimond room)
  Immigration skill shortages

#### Wednesday 21 October

European Scrutiny Committee (2:30pm, room 8)
 Transatlantic Trade and Investment Partnership

#### **Lords Chamber**

Monday 19 October

 Draft Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015: Motion to approve

#### **Lords Committees**

Monday 12 October

- EU Internal Market Sub-Committee (1:00pm, room 1)
- EU Select Committee (4:00pm, room 4)

#### **Westminster Hall**

Wednesday 21 October

11:00am - 11:30am: UK science budget and 2015
 Spending Review (Stuart Andrew, Con, Pudsey)