



## WEEK IN WESTMINSTER



Week ending Friday 22 October 2010

- 1. SMMT welcomes government's commitment to economic growth**
- 2. SMMT's eleventh sustainability report shows environmental positives**
- 3. UK vehicle production up by 6.6% in September**
- 4. Business secretary hosts first small business economic forum**
- 5. UKTI voted best trade agency in the developed world**
- 6. Week ahead**

### **1. SMMT welcomes government's commitment to economic growth**

In reaction to the comprehensive spending review, SMMT is encouraged that, whilst challenging decisions had to be taken, government committed to prioritising areas that will generate growth including ultra-low carbon transport and skills. Chancellor George Osborne made green investment a priority, describing his ambition for Britain to be a leader of the new green economy. SMMT welcomes government's commitment to the Green Investment Bank, the Regional Growth Fund and supporting jobs in low carbon industries. Plans to increase the availability of adult apprenticeships by more than 50%, as part of the focus on skills and education, is a positive initiative. However, industry is disappointed that the successful Train to Gain scheme is to be abolished. The biggest surprise was to turn the Carbon reduction Commitment (CRC) Energy Efficiency Scheme into a new carbon tax. Revenues raised from carbon allowance sales will not be recycled back to companies and public sector organisations participating, going straight to the Treasury instead. Next week, transport secretary, Philip Hammond will announce details of how the review will impact on transport priorities and over the coming month the Department for Business, Innovation and Skills will outline how its resources will be allocated. (Source: SMMT)

[www.smmt.co.uk/articles/article.cfm?articleid=22573](http://www.smmt.co.uk/articles/article.cfm?articleid=22573)

### **2. SMMT's eleventh sustainability report shows environmental positives**

SMMT's eleventh annual sustainability report reveals that UK automotive has made significant progress in cutting CO<sub>2</sub> emissions, waste and energy use despite the challenges of the recent economic crisis. While the 30% drop in vehicle production halted the per vehicle reduction, total energy use and CO<sub>2</sub> emissions continued to fall in 2009 down 20% with average new car emissions falling to their lowest ever level of 149.5g/km, down 21.2% over the past 10 years. The report, which highlights progress in social, environmental and economic sectors of the motor industry through 2009, will demonstrate that despite challenging economic conditions, last year, automotive accounted for £23.8 billion of the UK's total export values and still employs over 700,000 people. Paul Everitt, SMMT chief executive, said: "The motor industry demonstrated its strength and resilience through the economic crisis and now has a major role to play in a rebalanced economy. The recent string of global investments in the UK-based development and production of low carbon technologies are indicative of the longer-term strength of the sector." (Source: SMMT)

[www.smmt.co.uk/articles/article.cfm?articleid=22567](http://www.smmt.co.uk/articles/article.cfm?articleid=22567)

### **3. UK vehicle production up by 6.6% in September**

UK automotive production figures for September show UK vehicles production was up 6.6% in September with rises across the car, commercial vehicle and engine sectors, signalling continued improvement in the market. Car output rose

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by 35.0% over the year-to-date, with a 5.8% rise in September. Commercial Vehicle output rose 16.7% in September and 38.1% over the year-to-date. UK engine output rose by 1.3% in September and by 23.6% in the year-to-date. (Source: SMMT)

[www.smmt.co.uk/articles/article.cfm?articleid=22576](http://www.smmt.co.uk/articles/article.cfm?articleid=22576)

#### **4. Business secretary hosts first small business economic forum**

Business secretary Vince Cable and small business minister Mark Prisk have met with business representatives and banks in the first meeting of the Small Business Economic Forum. The Forum brought together banks, businesses representatives and ministers, following last Wednesday's publication of the banking Taskforce, Supporting UK Businesses. The Forum, chaired by Mr Prisk, will meet up to four times a year. It is an opportunity for businesses representatives and small businesses to share their views with ministers on enterprise issues, in particular economic issues facing small firms. Banks will be invited to attend when finance matters are on the agenda. Business secretary Vince Cable said: "To create the environment for businesses to flourish and boost economic growth Government must keep an open dialogue with industry. The Small Business Economic Forum is an excellent way to do that. "It is also critical that banks are in attendance. The availability of credit on reasonable terms is absolutely crucial to recovery." (Source: BIS)

[www.bis.gov.uk/news/topstories/2010/Oct/Small-business-economic-forum](http://www.bis.gov.uk/news/topstories/2010/Oct/Small-business-economic-forum)

#### **5. UKTI voted best trade agency in the developed world**

UK Trade & Investment (UKTI) has been voted by its peers as the best trade promotion agency in the developed world. More than 150 participants, looking to build export and trade success, were involved with the competition. The award recognised excellence in developing export initiatives, and UKTI's development of a programme called Gateway to Global Growth, aimed at small and medium-sized firms with some export experience, was cited as the reason for its nomination. The chancellor in the CSR prioritised the work of UKTI in its efforts to promote UK business overseas and to attract new industries to locate and invest in the UK economy. (Source:UKTI)

[nds.coi.gov.uk/content/detail.aspx?NewsAreaId=2&ReleaseID=416033&SubjectId=15&DepartmentMode=true](http://nds.coi.gov.uk/content/detail.aspx?NewsAreaId=2&ReleaseID=416033&SubjectId=15&DepartmentMode=true)

#### **6. Week ahead**

##### **Commons Chamber**

Thursday 28 October

10.30am: Transport questions (topical questions at 11.05am)

Main business

General debate on the comprehensive spending review

##### **Commons Committees**

Tuesday 26 October

11.30am: Business, Innovation and Skills

*Subject:* Comprehensive Spending Review *Witness(es):* Rt Hon Vince Cable MP, Secretary of State, and Rt Hon David Willetts MP, Minister for Universities and Science, Department for Business, innovation and Skills *Location:* The Wilson Room, Portcullis House

Wednesday 27 October

2.30pm Environmental Audit

*Subject:* Green Investment Bank *Witness(es):* RenewableUK, Aldersgate Group, Green Alliance; Carbon Trust, Energy Technologies Institute, Ofgem (Low Carbon Network Fund) *Location:* The Thatcher Room, Portcullis House

##### **Lords Chamber**

Monday 25 October

2.30pm: Oral questions to ask the government:

Whether they support the leadership of the Intergovernmental Panel on Climate Change (Baroness Noakes)