

SMMT holds 2014 International Automotive Summit

SMMT recently held its International Summit at Canary Wharf, focusing on the topics of skills, technology and innovation and promotion of the automotive sector. The keynote speech was delivered by Ian Harnett, Director of Purchasing at Jaguar Land Rover, who addressed the need to encourage more overseas automotive suppliers to come to the UK. Mr Harnett stated, "We need a strong UK plc to attract quality global component supplier to the UK. To do this, there has to be a competitive environment for investment – and we also want UK-based suppliers to have access to finance to enable them to invest and grow." He also spoke about other challenges facing the industry, such as the lack of skilled young people coming into the sector. This concern was echoed in the closing speech by Joe Greenwell CBE, CEO of the Automotive Investment Organisation, who noted some of the schemes put in place by government and industry to help solve the problem. Mr Greenwell attended the conference in place of Business Secretary Vince Cable, who was unable to attend, but updated Mr Greenwell on the government position. A key message from Mr Greenwell was that it is imperative that the industry looks beyond the short term and tactical, and that it must look to the future growth of the sector and therefore invest in talent accordingly. Mr Greenwell also called upon companies to take a shared responsibility to promote the sector, stating that the whole of the UK industry must work to dispel misconceptions and promote the sector internationally. Closing the event, Mike Hawes, Chief Executive SMMT noted that the overall picture was a positive one for the automotive sector with the total number of UK car export values doubling from £12bn in 2004 to £24.8bn in 2013, and the average wholesale value of each exported car increasing from £10,200 in 2004 to £20,640 in 2013. He further noted that more than £47,000 a minute was generated by UK car manufacturers in export last year, reflecting the thriving nature of the domestic industry.

(Source: SMMT)

<http://www.smmmt.co.uk/summit/>

Government fund to boost manufacturing open for bids

A £100 million government scheme to encourage firms to re-shore and boost domestic supply chains is now open for bids. The Department for Business, Innovation and Skills said the funding will encourage firms to "re-shore" work from overseas as well as improving workers' skills. Business Secretary Vince Cable said "A strong manufacturing sector is vital to a balanced economic recovery, and I want to ensure that Britain's supply chains are up to the task of supporting the sector in the long term." The funding comes from the Advanced Manufacturing Supply Chain Initiative (AMSCI), which through five previous rounds has secured nearly half a billion pounds of private-public investment for 44 projects in the UK. (Source: BIS)

<https://www.gov.uk/government/news/vince-cable-100-million-to-support-domestic-supply-chains-and-bring-manufacturing-back-to-the-uk>



Manufacturing grows at fastest rate since 2011

Figures from the Office of National Statistics show that manufacturing increased by 0.4% between March and April. Growth in Britain's manufacturing sector jumped to a new three-year high in April after a 4.4% surge in output on the same period in 2013. This performance was the strongest since February 2011, increasing hopes that overall GDP accelerated in the second quarter. The figures also showed that this was the fifth consecutive period of month-on-month growth – the

longest run of continuous expansion since June 2010. However, manufacturing remained 7.6% below its pre-downturn peak at the end of the first quarter of 2014. (Source :ONS)

<http://www.ons.gov.uk/ons/rel/iop/index-of-production/april-2014/stb-iop-apr-2014.html>

£30million fund to boost numbers entering engineering

Matthew Hancock, Skills and Enterprise Minister, has announced the creation of a £30 million fund to encourage more women into the sector, to increase the supply of engineers and to address engineering skills shortages in smaller companies. The aim of the fund will be to enable engineering companies to establish training programmes that will develop future engineers and boost the number of women in the profession. The fund will be split equally, with £10 million directed to a call to 'Developing Women Engineers', a second £10million to a call to 'Improving Engineering Careers', and the final £10 million will be made available in the autumn to develop engineering skills in smaller companies. The announcement forms part of government's Employer Ownership Fund, that will enable employers to design training projects that can address skills shortages which may be holding back their business, providing 50% match funding to employers. Matthew Hancock, Skills and Enterprise Minister, said, "Skills are central to the UK economy and our long-term competitiveness. In order to allow UK engineering to grow and compete on the world stage we need a guaranteed supply of highly skilled and talented engineers."

(Source: BIS)

<https://www.gov.uk/government/news/30-million-fund-to-secure-supply-of-engineers-and-boost-number-of-women-in-sector>



EEF: Manufacturers upgrade growth forecast

Britain's manufacturers have substantially increased their growth forecast for 2014 on the back on continued buoyant conditions, up to 3.6% from 2.7%, according to the latest quarterly survey published by EEF, the manufacturers' organisation. The EEF said that this showed manufacturing was growing ahead of the economy as a whole. GDP is expected to grow to 3%, up from 2.6%, and the EEF believes that the manufacturing sector will be vital in securing broad-based growth across the UK economy. The survey has displayed a continuing positive picture, with strong trading conditions evident in all regions and sectors. This positive outlook is being translated into ongoing plans to invest and recruit, with recruitment intentions being positive in all but one quarter. One cautious note from the survey showed that as growth is currently being driven by strong domestic demand, export orders are falling short of last quarter's expectations.

(Source: EEF)

<http://www.eef.org.uk/releases/uk/2014/Manufacturers-strongly-upgrade-growth-forecast---EEFBDO-survey.htm>

Week ahead

Houses of Parliament

Tuesday 17 June

10:00am Treasury Select Committee: SME Lending – Wilson Room

2:15pm Business, Innovation and Skills Committee: Business-university collaboration – Oxford

4:30pm APPG on Women in Enterprise – Room R, PCH

Wednesday 18 June

1:15pm Business, Innovation and Skills Committee: Business-university collaboration - Milton Keynes

2:30pm Scottish Affairs Committee: The referendum on separation for Scotland – Room 8