

Nissan executive warns on future work for Sunderland plant amid rising costs for businesses in UK

A warning has been made over future work for Nissan's Sunderland plant, despite the factory announcing its highest number of new apprentices.

The automotive giant has announced 140 apprenticeship positions in a variety of roles, winning praise from a Government Minister and saying the roles are an investment in the "talent of the future". But the company's chief operating officer Ashwani Gupta has sounded a note of caution over future work at Sunderland, saying that rising business costs in the UK could affect the decision on where it made future models of the Juke and Qashqai.

Nissan has invested hundreds of millions of pounds into the Sunderland plant in recent years, opening a new production line and committing to a major plan to build electric vehicles in the North East.

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But Mr Gupta told the BBC that the company "needed to have the economics to justify it" before it committed to producing new models at Sunderland ahead of other factories in different parts of the world. Nissan has this week signed up to a new model of its alliance with Renault, giving it access to more than 40 manufacturing plants around the world. Competition for automotive jobs between countries is heating up, with the US offering big incentives to car makers to site their plants in America, while the EU is also thought to be lining up sweeteners.

Mr Gupta's intervention is not unusual for Nissan or him personally. After the Brexit referendum he warned that a no-deal exit from the EU would be bad for the firm, only to say in early 2021 that the last-gasp deal agreed by Boris Johnson's Government had made the UK a good place to make cars.

The Sunderland plant has always had to beat off competition from other factories to win new models since its opening in 1986, generally winning out due to its high levels of efficiency. Locally, this week has seen the company announcing its new apprenticeship intake and plan for its future.

Alan Johnson, Nissan's vice president for manufacturing at Sunderland, said: "There has never been a more exciting time to join our team. A place on our apprenticeship scheme brings an opportunity to progress within Nissan and to help shape our electrified future."

The announcement has been praised by Apprenticeships and Skills Minister Robert Halfon, who visited the plant on Monday.

He said: "Nissan's forward-looking investment in Sunderland is symbolic of the industrial power of the North East, and they have provided a ladder of opportunity to over 2,000 apprentices in the region so far. It is really pleasing to see the company back that up with this commitment to future talent."

The announcement from Nissan came as the plant's global corporation finalised details of its revised partnership with Renault group, which sees the companies equalising shareholdings at 15%, and Nissan taking a stake in Ampere, an electric vehicle and software company founded by Renault.

The Nissan-Renault alliance began in 1999, a time when the Japanese car maker was in tough financial straits. But recent disparities have caused friction, especially after Nissan

became far more profitable than Renault. The alliance also includes smaller Japanese automaker Mitsubishi.

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