

November new car production at 'lowest level since 1984' as chip shortages bite, SMMT reveals

UK car production fell to its lowest November level since 1984 last month amid an ongoing global semiconductor shortage, latest figures from the [Society of Motor Manufacturers and Traders](#) (SMMT) have revealed.

Production fell -28.7% to 75,756 units, the worst figure seen in 37 years, the trade body reported.

It marked the fifth consecutive month of output decline.

Global chip production has slowed amid supply chain and logistics issues over the past year, stymieing development and supply of new cars. Car manufacturing costs have also risen.

Consumers are now facing long wait times for new models and this, along with pandemic savings and wariness of public transport, has helped the used car market soar.

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Large listed dealerships have recently warned that supply of both new and used cars is becoming tight.

Mike Hawes, SMMT chief executive, warned that the ongoing chip shortage is also “likely to affect the sector throughout next year” and that “maintaining cashflow, especially in the supply chain, is of vital importance”.

He said: “These are incredibly worrying figures, underscoring the severity of the situation facing the automotive industry.

“With an increasingly negative economic backdrop, rising inflation and Covid resurgence home and abroad, the circumstances are the toughest in decades.”