UK car production rises for third consecutive month

U

K car production has risen for three consecutive months yearon-year, leading to hopes that component shortages are easing.

A total of 58,043 cars were built in the UK in July, 8.6% more than during the same month last year, according to figures from the <u>Society of Motor Manufacturers and Traders</u> (SMMT).

The industry body said this is "a sign that component shortages may finally be beginning to ease".

Other challenges remain, not least energy costs which are increasing at alarming rates

A global lack of parts such as semiconductors has disrupted car manufacturing.

Read More

- Fears of new CO2 shortage after last fertiliser plant confirms shutdown
- Morses Club sinks to £43m loss as claims surge from borrowers
- Medicinal cannabis business Love Hemp hit by alternative market de-listing
- SPONSORED

Buy a Cornwall holiday home and get up to £10,000 towards stamp duty

But the SMMT warned that July's figures must be "set in context", as production was badly hit during that month in 2021 due to the parts shortage and coronavirus-related staff

shortages, leading to many factories altering their summer shutdown timings.

Despite the recent growth in output, levels are still nearly half of pre-pandemic levels.

SMMT chief executive Mike Hawes said: "A third consecutive month of growth for UK car production is, of course, welcome and gives some hope that the supply chain issues blighting the sector may finally be starting to ease.

"But other challenges remain, not least energy costs which are increasing at alarming rates.

"If we are to attract much needed investment to drive the production of zero emission vehicles, urgent action is needed to mitigate these costs to make the UK more competitive for manufacturing.

"This must be a priority for the next prime minister else we will fall further behind our global rivals, risking jobs and economic growth."