

## UK car sector warns one in six jobs in virus danger

June 23 2020

Britain's car sector could lose one in six jobs or about 25,000 posts due to economic fallout from coronavirus, industry body the Society of Motor Manufacturers and Traders warned Tuesday.

"The harsh reality of the COVID-19 crisis for the UK's <u>automotive</u> <u>sector</u> is laid bare today by a new member survey from the SMMT revealing that up to one in six jobs are at risk of redundancy," the organisation said in a statement issued for its <u>annual meeting</u>, which was held online due to COVID-19 restrictions.

The survey findings come after the sector has already shed more than 6,000 jobs in June at carmakers including Aston Martin, Bentley, Jaguar Land Rover and McLaren.

The SMMT called for more urgent government action with one third of automotive employees still furloughed, or having most of their wages paid by the state, under a jobs retention scheme that runs out in October.

The nation's carmakers have been ravaged by the deadly COVID-19 outbreak, which slammed the brakes on demand for cars, with sales falling off a cliff after the government imposed a nationwide lockdown on March 23.

Car showrooms in England however reopened in early June as the UK government finally eased the lockdown.



The SMMT now wants the government to consider support measures including emergency funding access, tax holidays, and cuts in value added tax to help stimulate car sales.

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