

Wednesday, 19 March 2014

Association Encouraged by Budget Support for Manufacturing and Housebuilding

The Construction Products Association welcomed the Chancellor's 2014 Budget Statement which backs British manufacturers and builders.

Dr Diana Montgomery, Chief Executive of the Association, said: "First, having highlighted the need for government clarity around its plans to support house building, we are pleased that the Help to Buy scheme has been extended to 2020. We have already seen this have a real impact on the ground in generating new starts, and are confident that this greater medium-term clarity will further incentivise builders.

"Second, we are encouraged by the recognition that infrastructure is part of a successful economy, with the short-term support for projects such as guarantees for the Mersey Gateway Bridge, £140 million for damaged flood defences and £200 million for pot-hole repairs. More importantly, however, government must focus on delivery of its existing project pipeline and getting spades in the ground, a critical challenge given the recently disappointing ONS figures showing a drop in infrastructure output and new orders.

"The government further recognises the need to make the UK an attractive place for manufacturing investment, and to that end it was important to hear the Chancellor offer support to energy-intensive manufacturers with a £7 billion package, including the cap on the carbon price floor until the end of the decade, along with new compensation for the rising costs of the Renewable Obligation and the Feed-In Tariffs.

"Finally, we were pleased by plans – which exceed our recommendations – to double the annual investment allowance to £500,000 and extend it to the end of 2015, benefitting millions

of SMEs. The government will need to think bigger, however, if it wants to attract significant investment into the UK from major multi-nationals.”

Dr Montgomery concluded, “All of this was good news for UK plc and our members; however, what was starkly missing was any indication that energy efficiency was relevant to the future of the UK’s built environment. We continue to press the government to recognise the tremendous potential for improving the housing and commercial building stock, and thereby not only back British builders and manufacturers but also improve the cost of living for home owners.”

ENDS

NOTE TO EDITORS:

The **Construction Products Association** represents the UK’s manufacturers and suppliers of construction products, components and fittings. The Association acts as a single voice for the construction products sector, representing the industry-wide view of its members. The sector has an annual turnover of more than £40 billion and accounts for over 1/3 of total construction output.

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