press release



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Government Plans for Apprenticeships, Housebuilding and Industrial Strategy Feature in Autumn Statement

Dr Diana Montgomery, Chief Executive of the Construction Products Association, commented on today's Spending Review and Autumn Statement: "Though there were few surprises for our industry from the Chancellor, the most relevant highlights concern the new Apprenticeship Levy, the government's plans for affordable housing and the confirmed support for industrial strategies throughout this Parliament.

"Some in our industry will be pleased to hear the Chancellor clarify its ambitions for the Apprenticeship Levy. Today we learned that it will be paid on payrolls in excess of £3 million. The Chancellor suggests that this will mean less than two percent of UK employers will pay it; however, we estimate that this may affect manufacturers with as few as 100 employees or more. We appreciate the establishment of a new employer-led body to set apprenticeship standards and ensure quality, not quantity. This body needs to include manufacturers and distribution representatives of the construction supply chain. The critical focus must be on a 'light-touch' approach that delivers the right skills.

"The government's plans for housing now include a total of 400,000 new 'affordable' homes by 2020, with support for Starter Homes and shared ownership schemes. Our view continues to be that while we're pleased with the government's aim to help first time buyers, the housing crisis has less to do with supporting demand and more to do with increasing the supply. Today's plans – paired with a raft of measures addressing planning reforms, the release of appropriate land for housing and help for SME house builders – may go some way towards achieving that."

Dr Montgomery added: "Finally, we're encouraged to hear the government indicate its support for the industrial strategies. While the details are yet to be revealed, we believe that this commitment to

long-term policy measures will underpin business confidence. Today's statement reflects a range of issues relevant to both the Chancellor and the UK construction industry where a long-term strategy for manufacturing will help boost economic growth and productivity."

ENDS

NOTE TO EDITORS:

The <u>Construction Products Association</u> represents the UK's manufacturers and distributors of construction products and materials. The sector directly provides jobs for 313,000 people across 21,000 companies and has an annual turnover of more than £50 billion. The Association acts as the leading voice to promote and campaign for this vital UK industry.

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