

The UK Automotive Industry Is Suffering as A Result of Brexit

Tony Burke

December 1, 2022

Tony Burke is the President of the Confederation of Shipbuilding & Engineering Unions and Co Chair of the Campaign For Trade Union Freedom.

The UK faces being stuck in the middle of a looming trade battle between the USA and the EU on subsidies for electric vehicle production following Joe Biden's administration's \$369 billion programme of green subsidies – while the European Union is getting ready to hit back with its own subsidies to defend EU industries.

And the UK?

Well, Brexiteer trade secretary Kemi Badenoch can do very little as she watches from the stands as the UK auto sector is squeezed between the two giants – and with UK industry demanding help.

Jaguar Land Rover has warned publicly about the "very serious challenges" posed by the battle.

The influential Society of Motor Manufacturers and Traders (SMMT) says that Biden's green vehicle package contains several "elements of concern that risk creating an uneven competitive environment, with U.K. based manufacturers and suppliers potentially penalised."

Badenoch's attempts at lobbying Brussels and Washington have come to little.

She flew to the US to meet with Deputy Treasury Secretary Wally Adeyemo only to return saying she was 'reassured' by the talks.

She could have done that on Zoom!

She also had a public meeting in the US telling the right wing think tank the Cato Institute that "the substantial new tax credits for electric cars not only bar vehicles made in the U.K. from the U.S. market, but also affect vehicles made in the U.S. by U.K. manufacturers."

Her problem is nobody is listening.

One trade expert told PolitcoPro "to be blunt — neither of them (the US and the EU) care what we have to say."

Another US based representative of a major business group told PolitcoPro: "The US is minimally focused on how any of their policies are going to impact the U.K."

Taking a legal route against the US via the Brexit deal is not an option – neither is out spending the US or EU with the economy tanking.

We have little clout and we certainly don't have the money. It wasn't supposed to be like this.

The promise of Brexit providing greater influence for the UK and a seat at the table as we swashbuckle our way around the world brokering deal after deal has all but evaporated.

For the Brexiteer UK trade secretary (touted as a future candidate for PM) its Hobson's Choice. Welcome to the real world Kemi!

(Picture credit: World Skills UK: Creative Commons)

As you're here, we have something to ask you. What we do here to deliver real news is more important than ever. But there's a problem: we need readers like you to chip in to help us survive. We deliver progressive, independent media, that challenges the right's hateful rhetoric. Together we can find the stories that get lost.

We're not bankrolled by billionaire donors, but rely on readers chipping in whatever they can afford to protect our independence. What we do isn't free, and we run on a shoestring. Can you help by chipping in as little as £1 a week to help us survive? Whatever you can donate, we're so grateful - and we will ensure your money goes as far as possible to deliver hard-hitting news.