

Rt Hon Jonathan Reynolds MP Secretary of State for Business and Trade Old Admiralty Building Admiralty Place London SW1A 2DY

15 October 2024

Dear Secretary of State

Automotive skills must be a priority in the government's Industrial strategy.

The automotive sector plays a pivotal role in the UK's industrial landscape, providing 866,000 jobs, £37 billion GVA (2023) and facilitating social and economic infrastructure. Yet, despite the release of Labour's Plan for the Automotive Sector last October, which included your Foreword, the sector remains under-represented in key government strategies, such as the Skills England Report, published September 2024, and recent policy discussions.

As the professional body for those working in the automotive sector, the Institute of the Motor Industry (IMI) represents over 110,000 members and the wider employer community. Our commitment is to help the sector attract, recruit and retain talent as well as future-proof it for emerging skills needs. With 21,000 vacancies – the highest of all UK sectors - addressing the current skills gap is essential to support economic growth, decarbonisation targets, and the evolving demands of modern vehicle technologies such as electric vehicles and Advanced Driver Assistance Systems (ADAS). Indeed, you acknowledged our own data on the impending skills gap on page 8 of your Automotive Plan.

The IMI is therefore calling for greater clarity from government regarding its strategies for automotive and how these will be supported in the Autumn Budget statement.

The IMI strongly believes that creating a pipeline of talent through apprenticeships, vocational training, and upskilling programmes is the only way to meet the urgent demand. This must be reflected in government policies, with a focus on long-term skills development in alignment with industrial strategy. Collaborative efforts between government, business, and educational institutions are key to building the capacity necessary to fuel the automotive sector's growth.

By integrating the automotive sector into broader skills and industrial strategies, government can ensure that the UK not only meets its decarbonisation goals but also secures a leading position in the global automotive industry for decades to come.

Retaining existing members of the workforce and empowering them with the skills of today's technologies and those that are fast emerging, is a primary concern for the IMI. By working directly with businesses, we address the specific challenges they face – whether it's navigating complex funding systems, understanding qualification requirements, or finding skilled candidates.



We, therefore, welcome the opportunity to meet with you and your colleagues to discuss how the needs of the automotive sector can be factored into the Industrial strategy to ensure UK automotive remains a global leader.

Yours sincerely

Azlina Bulmer

Managing Director

**Institute of the Motor Industry**