

MTA Cluster of Associations Manifesto

The Manufacturing Technologies Association is a cluster of Associations, which includes the Engineering Industries Association (EIA) and Additive Manufacturing UK (AMUK) as part of our 'family'. We are the UK's trade association for companies in the manufacturing and engineering technology sector. Our members design, manufacture and supply the advanced machinery, equipment and intellectual property that enable the creation of the products we rely on from day to day and that drive our economy. All manufacturing depends on manufacturing technology.

2024 – A year of decision

2024 will almost certainly see a General Election and the MTA is already engaging with the parties to help them understand what manufacturers need as they draw up their manifestos for the next five years.

Manufacturers have had to deal with a lot in the last five years. The challenges of dealing with Britain's changing relationship with the European Union, the pandemic and the outbreak of war in Europe have pushed manufacturers to the limits of their ingenuity. But they have overcome those hurdles and, the MTA believes, are well placed to thrive – providing that the Government can get the right support in place.

We need a high level of **consistent political commitment, where business leaders and politicians work together** to deliver sustainable economic growth to improve the UK's standard of living now and in the future.

The right environment for growing manufacturing

We welcomed the Government's Advanced Manufacturing Plan which showed that there is a recognition that we need **a long-term approach to supporting manufacturers** to achieve their potential. We also welcomed the Opposition's broad support for the plan – reassuring us that whichever party forms the next Government, implementation will follow.

We welcome the commitment of £4.5 billion for support for dynamic and growing sectors but it is **important that cross-sectoral enabling technologies, as well as companies operating in (often high technology) niche areas are not squeezed out by a focus on higher profile sectors.**

The introduction of full expensing, alongside the Annual Investment Allowance, is the culmination of many years of campaigning by representatives of the sector, with the MTA at the forefront. **We will now have a tax treatment for investment which is internationally competitive** – for the first time in generations companies investing in Britain will not be doing so with one hand tied behind their back. **It is essential that this is maintained.**

The Harrington Review, published in November, made some valuable recommendations in respect of Foreign Direct Investment. The acceptance of those recommendations by Government, and indeed the Opposition, is a welcome step forward to providing an environment for FDI that is necessary if the UK is to continue to attract the levels it requires to compete in the global economy. The recommendations must be acted upon, and the focus needed to secure that goal maintained. Indeed, **the pro-active approach espoused by the Harrington Review could be applied to increasing levels of investment by domestic companies** - many of whom, particularly those with global operations, will face some of the challenges and decisions that Harrington identifies.





THE MANUFACTURING TECHNOLOGIES
ASSOCIATION

The skills we need

The MTA was involved in the 2017 Review which paved the way for the **Made Smarter Adoption Programme** and we have supported its implementation as it had helped hundreds of businesses access the benefits of industrial digital technologies. It is an example of a practical intervention, designed with business, which works for SMEs. We welcome the Government's commitment to fund it for the next three years and **we call for its expansion in the term of the next parliament.**

Many manufacturers maintained apprenticeships at a time when other parts of the economy moved away from them. The sector is therefore very supportive of initiatives to expand their provision. However, for too many companies, because of its inherent inflexibility, the present **Apprenticeship Levy** is not delivering sufficient appropriate funding. It needs to be **amended to allow companies greater flexibility** to upskill and train their workforces in a way that best meets the needs of individual businesses.

While it is essential to reform the Apprenticeship Levy, government support for the **upskilling and training of workforces** in the manufacturing sector must take account of the needs of SMEs, a large proportion of which pay either little or no levy. The apprenticeship and training infrastructure **and support for SME manufacturers must be strengthened.**

Support to trade

The establishment of an independent UK trade policy over the last five years has been a learning process for all stakeholders. With the country's trading relationships with the European Union, and with the countries with which it had trade deals through its EU membership, now securely established the policy priority must be to support companies in international markets. As discussed above, the Harrinton Review contains useful recommendations aimed at foreign direct investors: the same **'concierge' approach** it advocates **should be available to British companies seeking to export.** The 2021 Export Strategy is a start, but real priority needs to be given by government to practical support; both in the UK in developing internationalisation strategies and, crucially **on the ground, in market, through missions and facilitating attendance at trade shows,** in line with other European countries.

Net Zero

Innovation in manufacturing will be an important part of enabling the UK, and the world, to reach its Net Zero targets. **New technologies** and new industries are being born, notably in areas such as renewable energy. But, alongside those novel innovations there are also **adaptations that can be made to existing technologies**, such as lightweighting and the use of new materials, to enable them to become dramatically less carbon intensive and wasteful. The scale of transition required is huge and can be daunting for companies, especially SMEs. **Ensuing that companies are supported to make the necessary investments in both types of innovation** must be a priority for any government.

Security and sustainability

Alongside the challenges of the changing climate are the challenges of the changing world. Securing reliable supplies of materials, components and technology is essential for any manufacturer and is becoming harder as the geopolitical situation becomes more complex. Supply chains have had to become more resilient and re-shoring or friend shoring have become more important considerations. This presents some opportunities for UK manufacturers, but there are significant risks in cutting companies off from appropriate sources of important supplies and **government should seek to work with industry to mitigate supply chain issues that might arise** (as was done reasonably successfully at the time of the imposition of sanctions on Russia following its invasion of Ukraine).

