

BCC reaction to Conservative Party Manifesto 2017

Dr Adam Marshall, Director General of the British Chambers of Commerce, comments on the publication of the Conservative Party Manifesto for the 2017 General Election.

“A number of the headline commitments in the Conservative Party’s manifesto will be welcomed by business communities around the UK. If delivered, pledges to overhaul the broken business rates system, to deliver better digital and mobile connectivity, and to focus more systematically on unlocking the growth potential of cities, towns and counties around the UK would respond to some of the key concerns of the business communities we represent.

“However, the positive reception to some elements of the manifesto will be tempered by proposals that would increase up-front costs, regulatory obligations and uncertainty for businesses. The Conservatives’ proposed approach to immigration, at a time when many firms are already doing everything they can to train up and employ UK workers, will worry companies of every size, sector, region and nation. Some of the Conservative proposals for additional market intervention and new employment regulation will be questioned, even by firms that are not directly affected themselves, because of the signals they send.

“The Conservative manifesto recognises that the UK needs a strong economy, stable public finances, a strong domestic business environment and outward-looking trade policies to weather the Brexit transition and develop a new model for growth. However, the document includes few specifics on how these important goals will be achieved.

“Over the coming weeks, business communities will want to see much more detail on how the manifesto’s pro-enterprise elements would be implemented, and their concerns on its more interventionist elements clearly addressed.”

Ends

Notes to editors:

Many pledges in the Conservative Manifesto are a direct response to the BCC’s manifesto, [Brexit and Beyond](#), including:

- Radical reform of the UK’s broken business rates system
- Supporting apprenticeships in supply chains
- Ensuring that ‘place’ remains at the heart of the Industrial Strategy
- Make it easier for SMEs to bid for public sector procurement
- A commitment to the third runway at Heathrow
- Ensuring businesses across the country have access to world-class digital infrastructure

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 52 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: www.britishchambers.org.uk

Media contacts:

Allan Williams – Senior Press Manager

020 7654 5812 / 07920583381

Orla Hennessy – Press and Communications Officer

020 7654 5813 / 07825746812

[BCC: labour market robust but firms hampered by skills gap](#)

BCC's Suren Thiru comments on the labour market statistics released by the ONS today.

17 May 2017

Commenting on the labour market statistics for April 2017, released today by the Office for National Statistics, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“With unemployment continuing to fall and employment levels rising, conditions in the UK labour market remain robust.

“However, labour market indicators often lag behind the wider economy and it remains likely that employment growth will start to soften over the near-term, as more subdued economic conditions and the rising cost of doing business in the UK stifle firms’ ability to recruit. The BCC’s Quarterly Economic Survey shows the proportion of firms reporting recruitment difficulties remains close to a record high, which is undermining their productivity and growth.

“With increases in regular pay slowing again, earnings growth is now comfortably trailing behind inflation. If the disparity between pay and price growth continues to increase as we predict, household spending is likely to slow further, weakening overall economic activity.

“The next government must do more to close the skills gap, including improving the transition from education to work by guaranteeing universal

experience of work in all schools for under 16s, and delivering a future immigration regime based on economic need, rather than an arbitrary migration target. This will help firms compete on the global stage, boosting UK productivity and growth.”

Ends

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[BCC comments on Labour manifesto](#)

BCC responds to the Labour Party manifesto.

16 May 2017

Commenting on the Labour Party Manifesto, Dr Adam Marshall, Director General of the British Chambers of Commerce (BCC), said:

“High personal taxation, sweeping nationalisation and deep intervention in business decision-making are not the hallmarks of an ambitious and enterprising society. Taken together, some of the headline propositions in the Labour Party manifesto will give business communities across the UK real cause for concern.

“There are some bright spots in Labour’s manifesto, notably clear and specific commitments to reform Britain’s broken business rates system, which successive governments have failed to implement. The party is right to propose an immediate guarantee for EU nationals currently in the UK, which is a top priority for the many thousands of firms that employ them, as well as

more flexibility for businesses to use the apprenticeship levy to train people here at home. Labour's proposals to strengthen and ring-fence practical international trade support for SMEs deserve careful consideration.

"While Labour are making some specific and targeted propositions that could boost the growth prospects of small- and medium-sized firms, these will be largely eclipsed by their proposals for higher personal and business taxes in the eyes of business leaders around the UK."

Ends

Notes to editors:

The BCC's Election Manifesto, [Brexit and Beyond](#), called for, among others:

- Radical reform of the UK's business rates system, including the switch from RPI to CPI
- Giving firms flexibility over the use of the Apprenticeship Levy to support other forms of training
- Giving 100% of companies access to super-fast broadband and reliable mobile connectivity
- Revitalise trade support programmes

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[BCC: Inflation continues to bite as price pressures mount](#)

BCC comments on the inflation statistics for April 2017.

16th May 2017

Commenting on the inflation statistics for April 2017, released today by the Office for National Statistics, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“As expected, inflation resumed its upward trend in April, after holding steady in March. April’s increase was largely due to higher air fares, which were pushed up by the timing of Easter falling during the month.

“While factory gate costs have moderated a little in recent months, businesses continue to report that the substantial increases in the cost of raw materials and other overheads over the past year are still filtering through the supply chain, and are therefore likely to lift consumer prices higher in the coming months. Our own Quarterly Economic Survey confirms that the pressure on firms to raise prices remains significant. Higher inflation is likely to be a drag on UK GDP growth over the coming quarters, as it erodes consumer spending power and dampens business activity and investment.

“However, it remains probable that the current period of above target inflation is transitory in nature, with little evidence that higher price growth is becoming entrenched in higher pay growth. This should give the Bank of England sufficient scope to keep interest rates on hold for some time yet, despite their recent warning.

“Nonetheless, with the UK economy entering a weaker period as inflation continues to bite, more must be done to support growth and investment, including addressing the mounting burden of up-front taxes and costs faced by firms.”

Ends

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BCC comments on Conservative Party pledge on employment rights

Commenting on Conservative Party pledge on employment rights, Dr Adam Marshall, Director General of the British Chambers of Commerce (BCC), said:

“While there is little appetite in the business communities I represent for a roll-back of employment rights as the UK leaves the EU, businesses worry about the prospect of costly or bureaucratic new obligations, no matter how well-intentioned.

“We will be watching closely as more detail emerges on these proposals, to ensure that they do not give rise to expensive new obligations or unintended consequences – especially for the hundreds of thousands of civic-minded businesses who already do everything in their power to engage, support, train and reward their workforce.

“In the past, we have seen campaign-season promises on workplace rights create unrealistic expectations, and undermine relationships that have been painstakingly built up between firms and employees over many years. That must not be allowed to occur if some, or all, of these proposals become the law of the land.”

ENDS

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