<u>Statement to parliament: Rail sector</u> deal

As part of the <u>Industrial Strategy</u>, the government committed to making the most of the UK's strengths and to develop the infrastructure necessary to support this. The UK's rail network supports people getting to work and training opportunities every day, enables businesses to access the talent they need to grow, and moves goods across the country and to our ports and airports.

The aim of this sector deal is to develop new, digital capabilities to support the railway in becoming an even stronger driver of economic growth and opportunity.

Sector deals bring the industry and the government together in partnership to boost the productivity and earning power of specific sectors. The rail sector deal struck today follows ambitious sector deals with the life sciences, automotive, construction and artificial intelligence sectors.

The government and rail industry have come together to agree a plan to increase efficiency, improve journeys and increase the sector's capability to trade internationally. The deal was developed through close engagement with the UK's world class consulting engineering sector and wider rail supply chain, and with backing from the major train manufacturers in the UK. This engagement from the industry has been led by the Rail Supply and Delivery groups, both of whom will be fundamental to delivering these ambitions.

The deal contains mutual commitments that will encourage innovation to improve passenger experience, provide the confidence necessary for investment in capital and skills, while reducing the cost to the taxpayer of state-of-the art digital rail control systems. Furthermore, the deal, through collaboration between train manufacturers and those providing services and running the network, will provide a common data platform. This will enable businesses to access highly useful data held within the industry in order to develop services and products to meet passengers' needs. This deal also includes a pilot programme in the Midlands to attract further diversity and skills into our growing railway, supported by the Midlands Engine, LEPs and other regional partners.

This deal will support the rail industry into the next phase of its development as a world leading industry. I will place a copy of the document in the libraries of both Houses.