

## UK car output crashes on Brexit-induced shutdowns

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Britain's car industry has been outspoken about avoiding a no-deal Brexit

British car output almost halved in April as factories imposed shutdowns in the face of Brexit uncertainty and other sector-wide headwinds, industry data showed Thursday.



The nation's <u>car production</u> nosedived 44.5 percent from the same month last year to 70,971 vehicles, according to the Society of Motor Manufacturers and Traders (SMMT).

April was the eleventh successive monthly decline amid softening demand for cars in major international markets, in particular for high-polluting diesel vehicles in Europe.

Carmakers also idled their factories to avoid any possible disruption in supplies if Britain had indeed left the European Union, although the April Brexit deadline has now slipped to October.

The SMMT described the performance as "dismal" and added that the shutdowns were just part of the sector's ongoing Brexit contingency plans.

Britain is now due to leave the European Union on October 31 after two delays this year triggered by MPs rejecting the divorce deal British Prime Minister Theresa May had struck with the bloc.

"Manufacturing for domestic and overseas markets fell... as most volume manufacturers brought forward, and extended, production stoppages normally scheduled for the summer holiday period," the SMMT added on Thursday.

"The shift in shutdown ... was part of a raft of costly and ongoing contingency measures, including stockpiling, rationalisation, training for new customs procedures and rerouting of logistics—all designed to try to protect business when the UK leaves the customs union and single market."

A "favourable" Brexit deal would ensure that the decline in production would ease towards the end of 2019, the SMMT argued.



However, the industry organisation also warned that a "no-deal" Brexit would worsen the slump, echoing its previous guidance.

SMMT chief executive Mike Hawes added: "No-deal must be taken off the table immediately and permanently, so industry can get back to the business of delivering for the economy."

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