



**10 October 2007**

**Cement industry cautiously welcomes Government's spending plans**

The cement industry has cautiously welcomed the Chancellor's statement on the publication of the Pre-Budget Report and the Comprehensive Spending Review.

Mike Gilbert, BCA Chief Executive, said 'we are pleased that the government has listened to our calls for increased capital investment in transport infrastructure, housing and schools. The government needs to set out a clear strategy for the delivery of these improvements. While the Chancellor's proposals will help maintain a vibrant domestic construction sector, for the cement industry it is particularly disappointing that the level of investment in the built environment in the UK lags significantly behind the remainder of Europe. Construction output represents only 8% of GDP in the UK; the EU average is 12%, with some member states achieving close to 20%. There is no sign that the UK will get off the bottom of the EU league.

We welcome the Chancellor's announcement that Planning Gain Supplement (PGS) will not now go ahead as initially proposed. The original intention was for PGS to be applied to housing only. We will, however, be looking closely to assess the potential impact of the alternative system of planning charges being proposed by the Government.

-ENDS-

**For further information:**

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**Notes to editors:**

The British Cement Association (BCA) is the trade and research organisation that represents the interests of the United Kingdom's cement industry in its relations with Her Majesty's Government, the European Union and relevant organisations in the United Kingdom. The members of the BCA (Tarmac Buxton Lime and Cement, Castle Cement, Cemex UK and Lafarge Cement UK) are the major domestic manufacturers of Portland cement producing over 90% of the cement sold in the UK.

The cement industry has an annual turnover of £775 million and is a major supplier to the construction industry. It employs around 3,500 people directly with a further 15,000 jobs depending upon its operations.