



House of Commons
London SW1A 0AA

The Rt Hon Grant Shapps MP
Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR

6th April 2020
Our Ref: ZA12209

Dear Grant,

I am writing on behalf of the Scottish Road Haulage Industry both in my capacity as SNP Transport Spokesperson, but also as a constituency MP who has been contacted by a number of local haulage firms who have serious concerns over the future of this vital industry.

Unfortunately the current financial support measures are not working as loans are proving inaccessible and do not provide the immediate support operators desperately need.

The Coronavirus Job Retention Scheme, although welcome, is inflexible and does not allow for immediate rehiring should demand dictate, and like loans and other support measures is not available quickly enough for the needs of the road haulage industry.

Without a sector specific package of measures, transport businesses will be closed within a matter of weeks because they cannot sustain the widespread drop in volume caused by the economic and supply impact of the current crisis.

Cashflow for haulage businesses is critical. The main costs for most haulage businesses are vehicles, fuel and wages. Businesses are at massive risk from banks and fuel suppliers withdrawing credit, and hauliers will collapse quickly if credit is not sustained and extended.

Some specific issues that industry representatives have highlighted as worth immediate consideration are;

1. Transport businesses need urgent cash injections in the form of grants, not loans, in order to maintain cashflow and survive.
2. Introduction of a scheme which would exempt haulage industry vehicles from vehicle excise duty for a period of 6 months
3. Introduction of a facility to allow haulage industry vehicles to claim back fuel tax duty for duration of the covid-19 pandemic

Support of road haulage businesses is vital if we are to maintain the flow of food, goods and medical supplies across the UK over the coming months.

However, the industry is in a perilous position and I would implore you to work with trade bodies such as the Road Haulage Association and act now to inject immediate financial relief into these businesses over and above the measures already announced.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'G Newlands', written in a cursive style.

Gavin Newlands MP

Paisley and Renfrewshire North

cc: Chancellor of the Exchequer