



Keir Starmer's Strategy to Combat Trump's Tariff Challenges

Description

Prime Minister's Strategy to Protect UK Businesses Amid US Tariffs

On Sunday, Prime Minister Sir Keir Starmer expressed his readiness to employ industrial policy as a means to "shelter British businesses from the impending storm" caused by US President Donald Trump's recent tariff increases. A new baseline tariff of 10% on all imports and an additional 25% levy on car imports have just come into effect. This situation raises a pressing question: what exactly does the Prime Minister's statement imply for the UK?

In 2024, cars and auto parts emerged as the UK's largest goods export to the US, valued at around £9 billion. However, this crucial industry now faces new challenges, particularly with the 25% tariff that began on Thursday. Furthermore, manufacturers are struggling to meet increasingly stringent targets for electric vehicle sales.

To address these issues, Sir Keir is set to announce a relaxation of these targets during a speech in the West Midlands. While the overarching 2030 ban on sales of petrol and diesel vehicles remains firm, some leeway will be allowed in annual requirements. Additionally, luxury car manufacturers like Aston Martin and Rolls-Royce may receive further exemptions from the 2030 deadline.

As concerns loom that goods redirected from the US could flood the UK market, discussions are underway to reinstate or tighten safeguards that limit imports. Such measures aim to protect domestic suppliers from being undercut during this critical period.

In light of this economic upheaval, the government is anticipated to expedite announcements regarding investments in UK industries and infrastructure, underlining the urgency of the current situation. Meanwhile, efforts to forge stronger trade ties with countries like India, which has faced a 26% tariff, will continue, with the hope of securing beneficial agreements in this challenging economic landscape.

Vocabulary List:

1. **Tariff** /'ter.ɪf/ (noun): A tax imposed on imports or exports.
2. **Exemption** /ɪg'zɛmp.jən/ (noun): The process of freeing from an obligation or rule.
3. **Manufacturers** /,mæn.jə'fækt.tʃər.ənz/ (noun): Companies or individuals that make goods for sale.
4. **Leeway** /'li:.wei/ (noun): The amount of freedom to move or act.
5. **Safeguards** /'seɪf.gɑːdz/ (noun): Measures taken to protect against potential risks or threats.
6. **Infrastructure** /,ɪn.frə'strʌk.tʃər/ (noun): The basic physical structures and facilities needed for the operation of a society.



Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What is a tax on imported or exported goods called?
Option: Disparity
Option: Financial
Option: Tariff
Option: Revitalizing
2. What is the term for publicly supporting or recommending a particular cause or policy?
Option: Advocating
Option: Infrastructure
Option: Optimistic
Option: Mitigate
3. What are measures taken to protect or secure something?
Option: Safeguards
Option: Burden
Option: Compelled
Option: Insulated

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

4. The government announced a plan aimed at _____ the country's economy.
5. Small businesses may qualify for a tax _____ based on their annual revenue.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

6. Companies that produce goods in factories or plants.
7. Protected from outside influences or disruptions.

Answer

Multiple Choice: 1. Tariff 2. Advocating 3. Safeguards

Gap-Fill: 4. Revitalizing 5. Exemption

Matching sentence: 1. Manufacturers 2. Insulated



CATEGORY

1. Business - LEVEL4

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