**Jaguar Land Rover car plant confirmed in West Midlands**

**Jaguar Land Rover (JLR) is to create up to 750 jobs at a new factory on a site near Wolverhampton, the firm says.**

The luxury carmaker, owned by Indian firm Tata, is investing £355m to build low-emission engines on a 120-hectare site at a business park near the M54.The news has been welcomed by the government and unions, who fought planned cuts at the firm two years ago. JLR chief executive Dr Ralf Speth said it was "truly exciting news" and "a major commitment for our company". He added: "We expect the engine manufacturing facility to create up to 750 highly-skilled engineering and manufacturing posts at Jaguar Land Rover, along with hundreds more highly-skilled manufacturing jobs in the supply chain and the wider UK economy.

"As we invest £1.5 billion a year for the next five years in new product developments, expanding our engine range will help us realise the full global potential of both our Jaguar and Land Rover brands." Dr Speth paid tribute to the "strong support" from the government, trade unions, local MPs, local authorities and the company's own employees.

Jaguar Land Rover's current success marks a remarkable turn-around. During the crisis that rocked the motor industry in 2008, JLR was disproportionately hit because of its model mix of thirsty luxury cars and 4x4s. So just months after the marques were sold by Ford to Tata Motors, JLR felt the need to ask the government for loan guarantees to help ease its cash flow problems. In the end the government did little, so at the time industry analysts felt Ford had been lucky to get out in time - even though it had sold the two marques for less than half of what it had paid for them. But JLR has proven them wrong. The company is making money again. It is investing £5bn to launch dozens of new, more frugal models over the next five years. And hundreds of jobs are being created, many of them in the UK, with several hundred more now looking safe after years of uncertainty.

Work at the site, on the Staffordshire-Wolverhampton border that was confirmed as a new enterprise zone in July, is due to start early next year.

JLR's engines are currently supplied by Ford from plants including Bridgend and Dagenham in the UK. The government said it was supporting JLR's project through the Grant for Business Investment scheme which is providing up to £10m. Business Secretary Vince Cable, who visited the company's Solihull vehicle production plant along with Deputy Prime Minister Nick Clegg, said the announcement "sends out strong signals to potential inward investors across the world". He added: "(It) is a huge vote of confidence in our successful automotive sector in the UK and the skills and expertise in our workforce. "The government's support for this project shows we are committed to the ongoing success of UK manufacturing and the UK automotive industry."

Last year JLR said it was reversing a decision to close one of its two West Midlands factories. The group's headquarters is based in Gaydon, Warwickshire. It produces Land Rovers in two plants in Solihull in the West Midlands and in Halewood in Merseyside, while Jaguar models are produced at Castle Bromwich, near Birmingham. Last week, JLR unveiled three new concept cars at the Frankfurt Motor Show on the back of a period of strong sales fuelled, partly, by a growing number of orders from foreign markets, including China and India.

The company reported pre-tax profits of £1.1bn in the year to 31 March, up from £14.6m the previous year. Revenues increased 51% to £9.9bn. Unite union general secretary Len McCluskey said it was "excellent news for manufacturing at these difficult times". He added: "Local and central governments past and present have had a hand in this good news, and that is to be commended." Speaking earlier on Monday, Bob Nason, the Unite union plant convener at the Solihull Land Rover plant, said it was "a far cry from where we were two years ago". "I think it's testament not only to the current workforce in the sacrifices they've made during those two years, but also I think testament to Tata's commitment to fulfilling a promise to create thousands of new jobs here in the UK." Staffordshire County Council said the bid to attract JLR to the site was jointly made by itself, Wolverhampton City Council and South Staffordshire Council. It added there was further planned investment by itself and Wolverhampton councils in the site's infrastructure.

Earlier this year the government announced a number of enterprise zones, including the one where the Jaguar plant will be built. The areas offer cheaper business rates, super-fast broadband and lower levels of planning control in a bid to boost growth. Wolverhampton North East Labour MP Emma Reynolds, said it was "extremely good news" after the loss of thousands of manufacturing jobs over the last 30 years in the city and elsewhere in the West Midlands. Ms Reynolds, who lives in Pendeford near the i54 site, said it was "particularly welcome news against the backdrop of last week's awful unemployment figures". Birmingham Erdington Labour MP Jack Dromey said it would be the biggest car factory to be built in Britain for 20 years.

Mr Dromey, who based his 2010 election campaign on supporting West Midlands manufacturing, added: "It will bring much needed jobs and high quality jobs to Birmingham and Britain."