

3% increase in UK business investment should result in employment boost

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The latest research from [The Global Payroll Alliance \(GPA\)](#), reveals that investment into UK business has increased by 3% in the past year, driven by large boosts to the likes of clothing manufacturing, electricity production, and agriculture.

GPA's analysis of ONS business investment data* shows that between 2023 and 2024 (latest available data) total investment into UK businesses increased by 3%.

The production sector saw the biggest increase, with investment rising by 24.6% on the year. This was driven by a strong performance from all three production subsectors. Investment into Electricity, Water & Gas production rose by 31.9%; investment into Agriculture, Forestry & Fishing production increased by 20.9%; and investment into Mining & Quarrying production saw an 11% boost.

Similarly, the UK's Distribution and Construction sectors also benefited from annual investment increases, rising by 4% and 3.1% respectively.

Meanwhile, investment into the Manufacturing sector remained flat overall (0.0%), but some of its subsectors did see a good investment boost, not least Textiles, Clothing, Leather & Footwear manufacturing (81.2%), Food, Drink & Tobacco manufacturing (10.1%), and Engineering & Vehicles manufacturing (2.2%).

And while investment into the overall 'Other Services' sector fell by -1.3%, some of its subsectors still saw an increase. Investment into the Transportation & Storage services subsector increased by 12.3%, while Hotels & Restaurants services and Information & Communication services saw increases of 8.6% and 2.8% respectively.

Melanie Pizzey, CEO and Founder of the Global Payroll Alliance, says: “Since the Labour government’s Autumn Statement, concerns about job losses have been rife among UK employees, highlighted by a [77% increase in online searches for ‘redundancy rights’ since October 2024](#).

However, the increased investment into UK businesses – especially production, distribution, and construction – should result in the creation of many new jobs over the coming years. We just have to hope that the financial boost businesses are seeing results in a concerted effort to boost productivity and therefore employment. There remains a risk of instability in the UK economy due to the government’s seeming inability to settle firmly on a plan for growth, but we remain quietly optimistic that the increase of money moving into businesses will result in an increase of money moving into people’s pockets.”

Data tables and sources

- [**Investment into UK businesses data \(2023 and 2024 – latest available\) sourced from the Office for National Statistics*](#)
- [*Full data tables and sources can be viewed online, here*](#)