

The Debate extended



Average weekly wages by sector, March 2013:

- Manufacturing £524
- Construction £515
- Services £428

Source: ONS

Live and ex-post facto delegate comments



Steve Brambley, Deputy Director, Gambica

"I support a target as the measure of success in achieving a goal. However, if the target is proportional (e.g. manufacturing should be 20% of GDP) then it doesn't necessarily help to measure success. We have a scenario where manufacturing is 10% of GDP and the target is 20% of GDP, and there are two outcomes to this.

"Scenario 1 - success appearing as failure. Manufacturing output increases by 30%, but so does services - the total economy has grown by 30%, manufacturing has grown by 30%, but the proportion of the total economy from manufacturing remains unchanged at 10% - therefore a failure to meet target despite being a positive economic outcome

"Scenario 2 - failure appearing as success. Manufacturing output does not change, but services reduce by 50% - the economy has shrunk by 39% and manufacturing hasn't grown, but now manufacturing is 18% of GDP - almost on target despite being an economic catastrophe.

“A target should be absolute, rather than proportional. For example – manufacturing contribution to GDP should increase from £X trillion to £Y trillion by 2020 – success can be measured by actions within manufacturing, without relying on the results of other parts of the economy.”



Richard McKee, Supplier Development Leader, Rolls-Royce

“Many times the debate mentioned the need for engineers and how they can be attracted to careers in manufacturing. I have worked globally in aerospace supplier development and where I see the core weakness in UK aerospace manufacturing is not in the actual engineering, or lack of, but in low managerial skills with limited foresight leading to the lack of strong business strategy and leadership within the SMEs.

“I believe the bigger challenge is attracting strong business candidates into the manufacturing world. If, as part of a national manufacturing strategy, the manufacturing leaders and government can help SMEs to create strong business and operational strategies there is a larger opportunity to close the cost gap to BRIC nations.”



Neil Lloyd, Head of Sales Development, Lombard Business & Commercial

“Two themes in particular resonated with me. The first was how the EU procurement policy is interpreted by the UK government vs that of Germany’s. The UK seems focused on achieving the lowest price, while Germany focuses on the local economic and social benefits a German supplier would generate.

“The second was the introduction of engineering to young children so they can understand the vast array of opportunities available. Maggie Philbin gave a passionate presentation on the work she does as CEO of TeenTech, which runs engaging one-day events that introduce teenagers to the wide range of career possibilities in science, engineering and technology.”



Professor Rajkumar Roy, Head of Manufacturing and Materials Department, Cranfield

“UK manufacturing has a window of opportunity to grow, contribute more to the economy and jobs.

For example, fundamental research and technology development done by EPSRC Centres for Innovative Manufacturing is now supported by Catapult Centres to exploit the technologies. The Government funded AMSCI project is supporting development of UK supply chain to bring more manufacturing activities within the country.

“There are high hopes the Business Bank will address the issue of access to finance. The UK is recognised as having the least economy-wide product market regulation in 2008 within the

Let’s try not to use the context of high value engineering as a mask for low levels of labour productivity or weak operational strategy.

Richard McKee, Rolls-Royce