

# Competitiveness and Skills in Post-Industrial Britain



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# Competitiveness and Skills in Post-Industrial Britain



## *Our future Competitiveness*

rests on the performance of our knowledge intensive businesses.

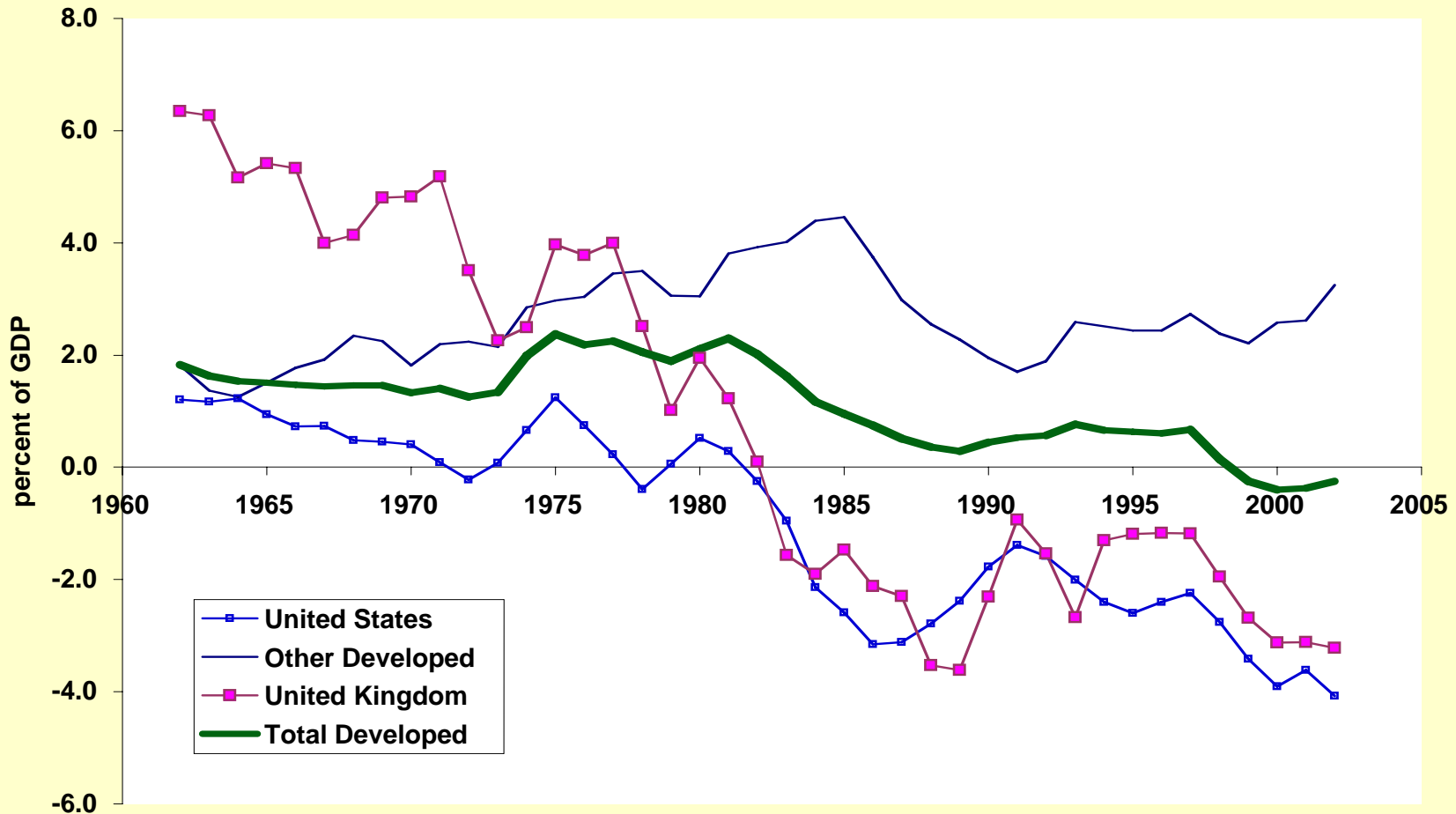
These span a range of sectors.

We do not know enough about the basis of their competitiveness

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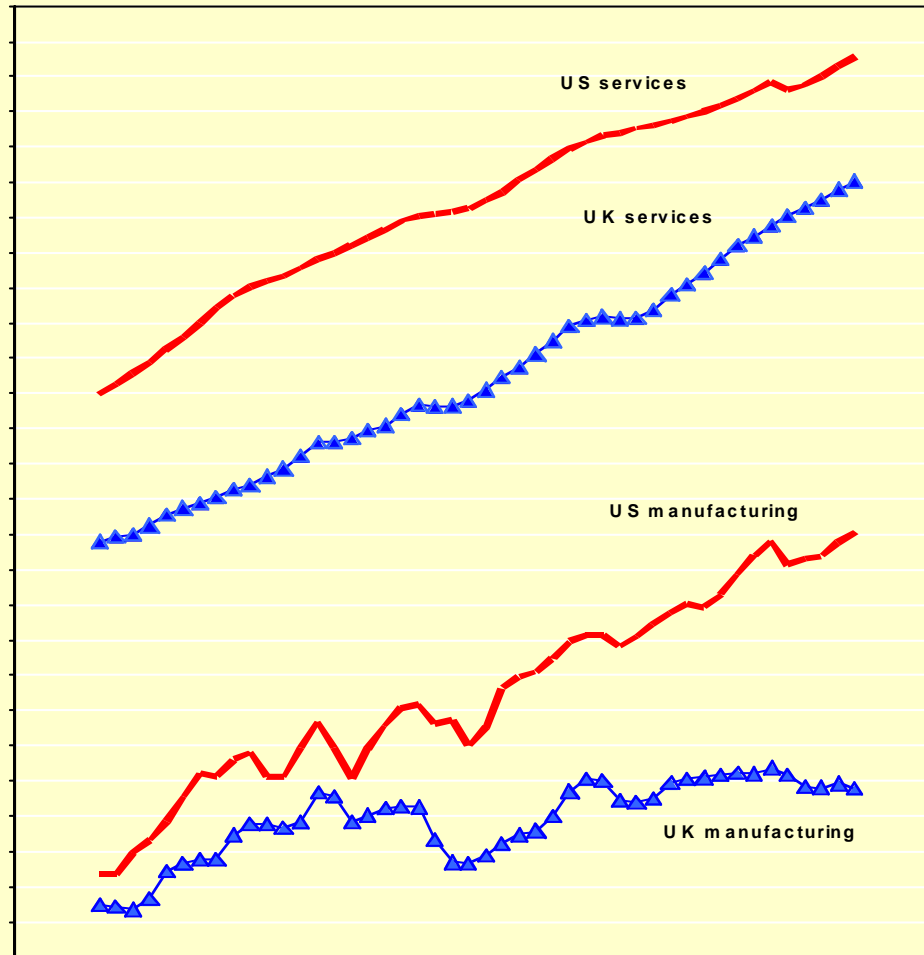
Chart 1: Manufacturing Trader Balances of Developed Countries (percent of DGP)



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Chart 2: Real Output per Head of Population (\$US 1995 at PPP)



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Table 1

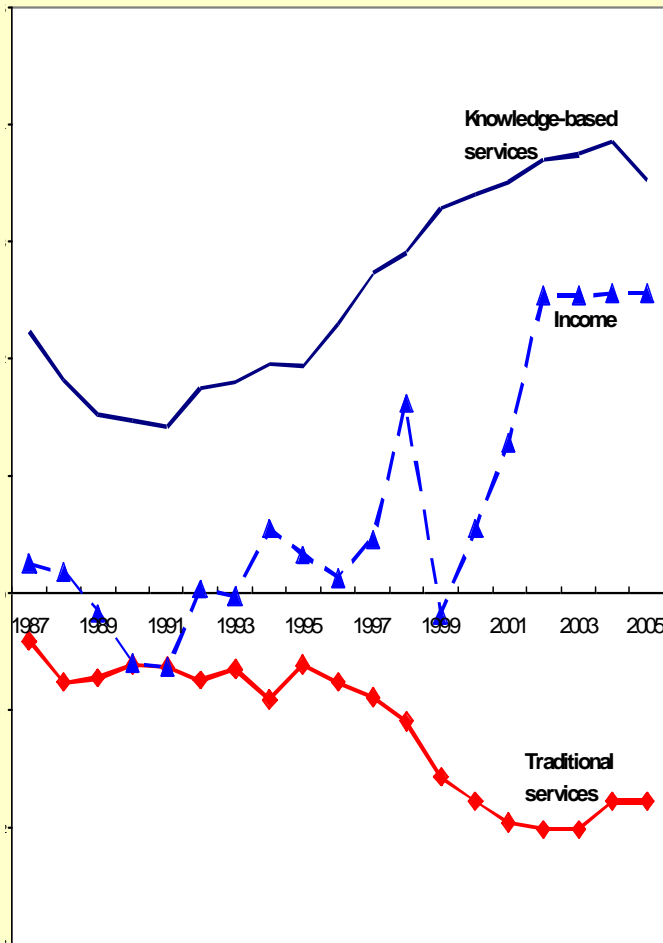
USA and UK Compared: 1990-2005

	percent change per annum	
	USA	UK
<b>Output per employed person</b>		
Goods & services	1.7	1.9
Manufactures	4.8	3.1
<b>Output per head of population</b>		
Goods & services	1.6	2.0
Manufactures	2.0	-0.1

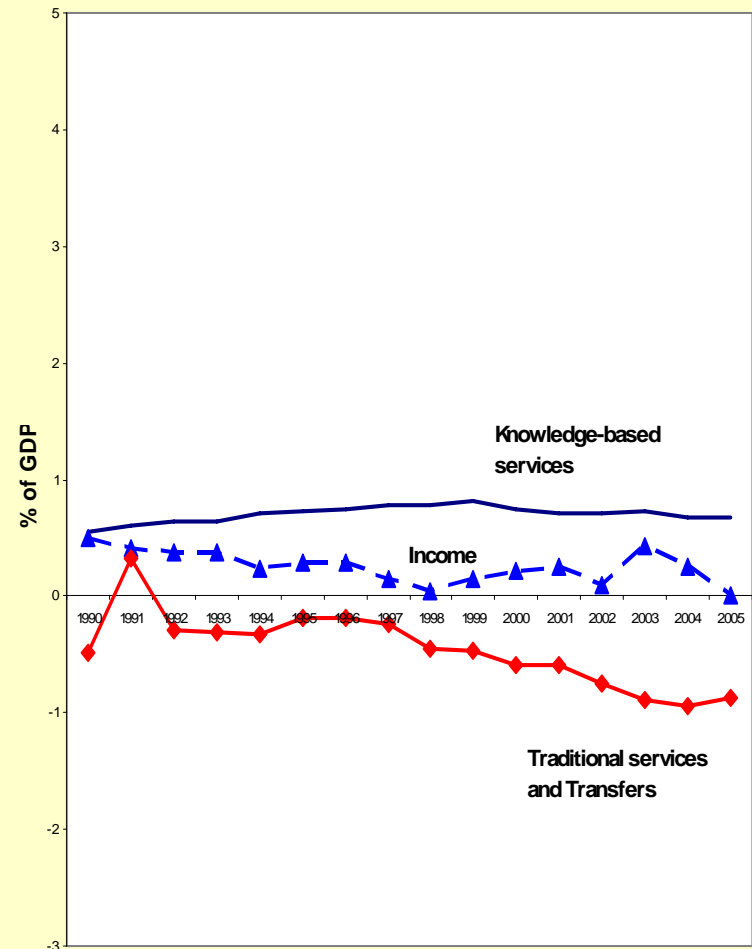
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**Chart 3: Invisibles component of the UK Balance of Payments 1987-2005 current prices**



**Chart 4: Invisibles component of the US Balance of Payments 1990-2005 current prices**



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## ***Internationally successful businesses***

have:

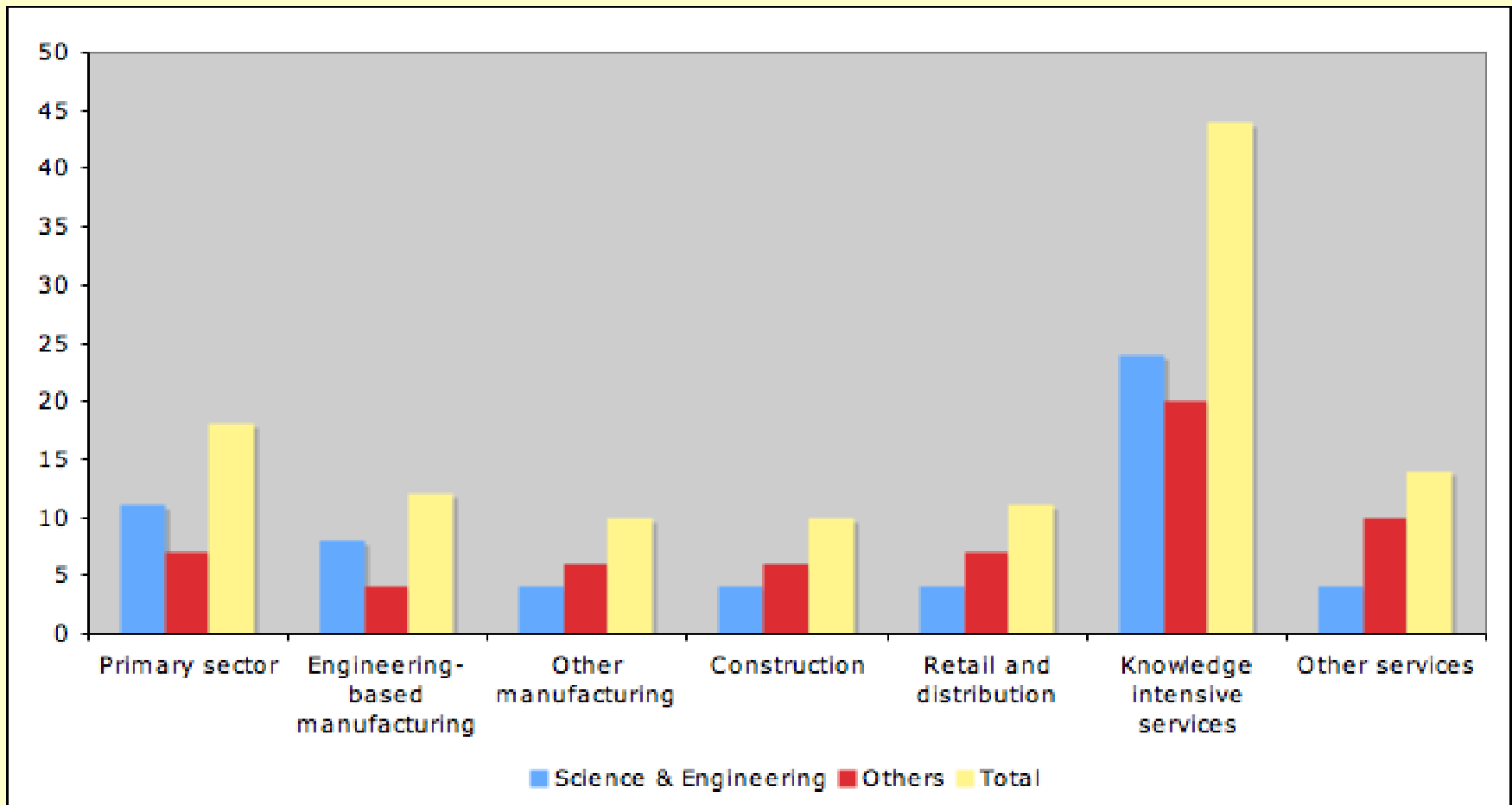
- high levels of graduates and post-graduates;
- a high dependence on STEM graduates;
- high research spends that are not fully captured;

***Higher Education underpins the success of  
our knowledge intensive businesses***

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**Chart 6: Average number of employees educated to degree level in science and engineering**





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## *Some Policy Implications*

- Businesses need to articulate the basis of their competitiveness
- All businesses have an interest in the supply of quality graduates;
- What about post-graduates?
- Government policies should recognise and reinforce our competitive strengths;

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## *Series of Recommendations to Businesses and the Government*

Including on:

- articulating
- understanding
- supporting
- funding