

Job security and pay fears at heart of manufacturing's “image problem”

For immediate release 8 March 2012

Misplaced fears about job security and low pay could thwart efforts to strengthen British manufacturing and rebalance the economy, a new analysis of the sector's image among the general public has revealed.

The report was carried out by the Institute for Manufacturing's Centre for Industry and Government, in partnership with YouGov-Cambridge. It is the first critical investigation into how the public view British manufacturing and found that just one in five people in the UK would encourage their children to take up a manufacturing job. A principal reason appears to be the widely-held, but mistaken, belief that the sector pays badly and that manufacturing jobs are the first to be moved overseas.

The study recommends that the Government needs to address both these problems and deeper issues about public confidence if it is to fulfil its stated ambition of strengthening the sector and encouraging more young people to take up manufacturing roles.

Many of those surveyed believe that manufacturing has an important part to play in a rebalancing of the economy away from its present bias towards financial services. Less than a third however, said that they had confidence in government to do the job – and many felt that the economy is simply no longer set up to support firms that “make things”.

The report's aim is to provide an evidence base for policy-makers to address the sector's “image problem”; a legacy of decades of decline that has reduced its contribution to GDP by more than 60% since the 1970s.

Finbarr Livesey, Director of the IfM's Centre for Industry and Government and the report's author, said: “Most people clearly still believe that manufacturing is important, but few of them have long term faith in manufacturing jobs. If we are going to draw bright young people into the sector, then we need to address the current public narrative of low wages and low job security head on, so that careers in manufacturing are represented accurately.”

The data for the survey was taken from a nationally representative sample of 1,452 adults across Britain, who were polled over the course of a week in January this year. Researchers hope to repeat the process at regular intervals, with a view to enabling the government and business leaders to target their efforts more strategically as plans to reinvigorate the manufacturing sector gather momentum.

The present government has made the sector a stated priority since it came to power in May 2010. In his first major speech as Prime Minister, David Cameron noted that the economy had become “more and more unbalanced, with our fortunes hitched to a few industries in one corner of the country, while we let other sectors, like manufacturing, slide.”

Successive governments have also voiced concerns about the sector's image problems, a view promulgated by the recurring description of the British economy as "post-industrial". Despite repeated claims that manufacturing needs a makeover to boost its appeal, however, surprisingly little has been done to establish what the nature of public opinion actually is.

The Cambridge investigation found that people have a "nuanced" and sometimes contradictory set of views. Key findings from the report were:

- **Confusion over economic significance.** 44% of respondents agree that the UK "does not make anything anymore" and 50% think that the UK is good at producing ideas, but not at converting those into products and services. On the other hand, 54% of those surveyed over-estimated manufacturing's contribution to GDP.
- **Manufacturing is seen as high-tech and demanding high skills.** 50% rightly think that manufacturing is high-tech and 43% that its jobs demand high skills.
- **But it is also seen as unstable and badly paid:** Only 16% feel manufacturing jobs are well-paid and 74% think that they are also at risk of being moved overseas. Just 20% would encourage their children to pursue manufacturing careers (compared with 33% in the US).
- **Manufacturing is seen as important to economic growth:** 72% think that its share in the economy should increase significantly.
- **There is a lack of faith in the Government's ability to rejuvenate the sector:** Only 29% feel that the government understands how to strengthen manufacturing, although 48% expressed confidence in business leaders' ability. 66% of respondents feel the Coalition is not doing enough to support manufacturing growth.

In addition to its recommendations about combating manufacturing's image as involving low pay and poor job security, the report stresses that the public does not agree with the repeated narrative on 'picking winners', and thinks that the government should target strategically important sectors.

Finally, it identifies an "underlying concern for the future of the UK economy" and widespread pessimism about Britain's ability to remain a global economic leader in the years to come. "Beyond specific attempts to change the industrial structure of the country, the ability of government to improve this expectation will have a significant impact on outcomes for the economy as a whole, and manufacturing within it," it adds.

-ENDS-

For more information, please contact: Tom Kirk, Office of Communications,
University of Cambridge. Tel: 01223 332300; Mob: 07764 161923; Email:
thomas.kirk@admin.cam.ac.uk

Notes to Editors

1. The Institute for Manufacturing

Email: ifm-enquiries@eng.cam.ac.uk

www.ifm.eng.cam.ac.uk

The University of Cambridge's Institute for Manufacturing (IfM), is a division of the Department of Engineering. The IfM brings together expertise in management, economics and technology to address the full spectrum of industrial issues. Its activities integrate research and education with practical application in companies, providing a unique environment for the creation of new ideas and approaches to modern industrial practice. The IfM works closely with industry, at a regional, national and international level, providing strategic, technical and operational expertise to help companies to grow and to become more competitive.

2. Centre for Industry and Government

www.ifm.eng.cam.ac.uk/cig

cig-enquiries@eng.cam.ac.uk

The Centre for Industry and Government provides research to underpin developments in industrial and innovation policy, as well as working directly with governments in order to support ongoing efforts to improve economic growth. CIG brings together a diverse set of disciplines which are required to address these challenging issues, from economics to policy analysis. The Centre is developing a better understanding of the role of production; new frameworks to capture the growing move towards product-based services; and new options for policy makers to support industrial growth.

Institute for Manufacturing

Department of Engineering

17 Charles Babbage Road

Cambridge CB3 0FS

UK

Tel: +44 (0)1223 766141

Email: ifm-enquiries@eng.cam.ac.uk

www.ifm.eng.cam.ac.uk