

Innovation

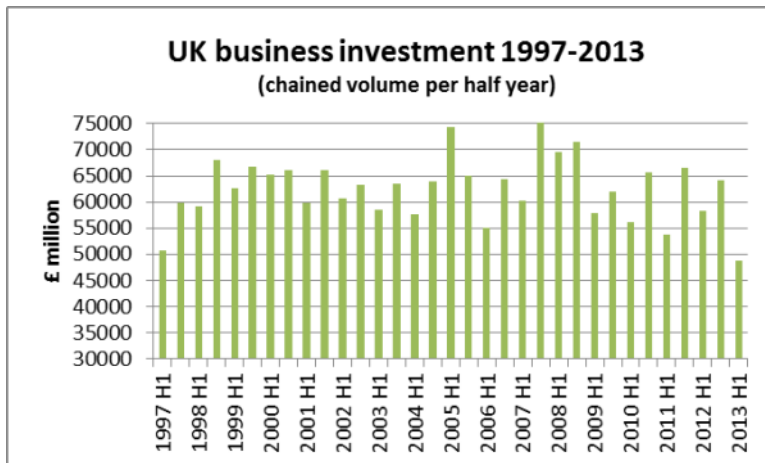
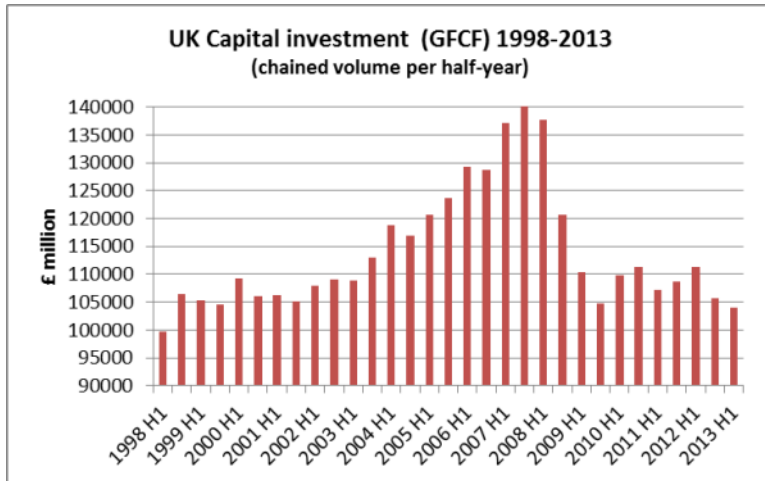
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Should we be worried?

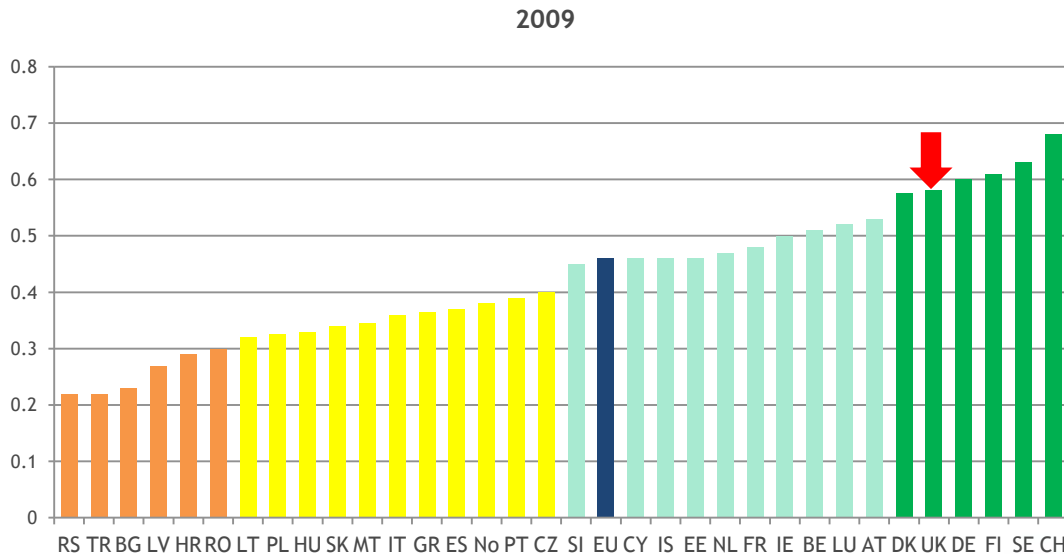
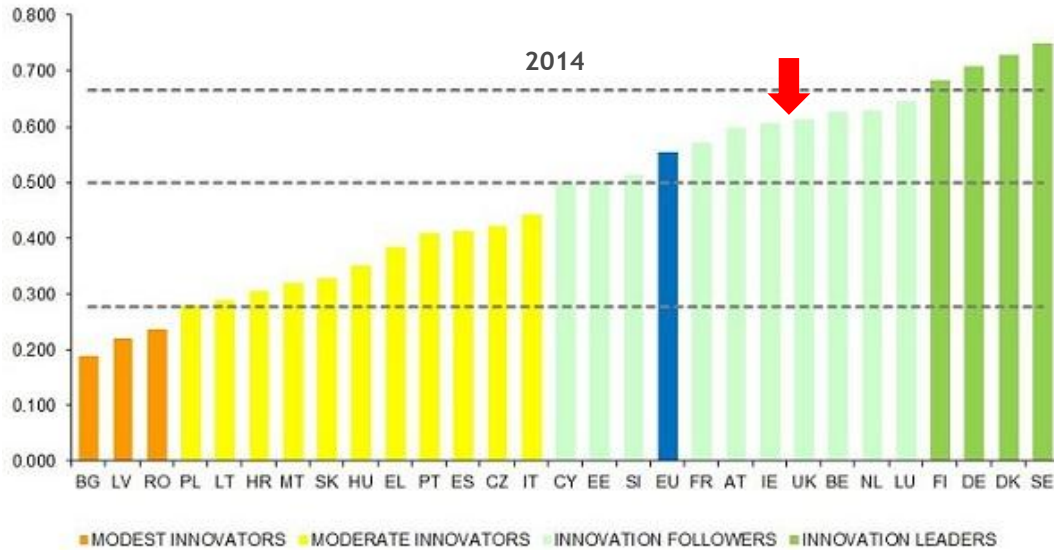
- US short termism - 36% less (as share of GDP) in training and 13% less in R&D compared to a decade ago
- Growth in financial sector, share of after tax profits to shareholders has increased more than 150% since 1970s, federal investment in R&D is just 44% of 1960s levels
- Europe risk averse
- Training in the UK more employers provide off the job (49% 2013 vs. 47% 2011), % of staff trained over previous 12 months up from 55% to 62%
- BUT... each person trained received fewer days (6.7 days vs. 7.8 days in 2011)
- Total employer investment decreased by 5% or £2.5 billion
- Investment per person decreased from £3,075 in 2011 to £2,550 in 2013 (17%)

Capital investment



- Capital investments have fallen
- R&D spending as % of GDP fell from 1.77% to 1.72% (2011 to 2012)
- UK bottom half of the EU league table for R&D spend (Finland 3.6%, Germany 2.9%)
- EU average is 2.06% of GDP

Innovation union scorecard



- Captures 25 indicators; enablers (HR, open research systems, finance and support); firm activities (firm investments, linkages and entrepreneurship and intellectual assets) and outputs (innovators and economic effects)
- UK slipped from innovation leader to innovation follower between 2009 and 2014
- General convergence over time

‘In a world of change, the learners shall inherit the earth, while the learned shall find themselves perfectly suited for a world that no longer exists.’

Eric Hoffer

‘We don't know who discovered water, but we're certain it wasn't a fish.’

John Culkin

Thank you

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