

## Is the tide turning for UK manufacturing?

By Andrew Barnetson, Director of Packaging Affairs,  
Confederation of Paper Industries (CPI)



Barry Sheerman MP addressing the meeting

**On 6 December, at an event in the grand surroundings of the Institute of Mechanical Engineers, there was a palpable sense of optimism. The gathering consisted of representatives from some of Britain's leading manufacturing companies and around thirty parliamentarians from both the Lords and Commons. They had gathered to hear the conclusions of a year long research programme culminating in the report 'Manufacturing a Greater Britain'.**

Part sponsored by CPI's Corrugated Packaging Members, along with organisations like Boeing, General Motors and the Food and Drink Federation,

the programme, which continues into 2012, represents a concerted effort to influence Government policy on the future of UK manufacturing.

Slowly but surely, the tide appears to be turning. Not so many years ago, manufacturing was being written off as a sector in inevitable decline. Now our political leaders are talking about a 'rebalanced' economy in which a reinvigorated Manufacturing Industry should play a more important part.

This is central to the future of the Packaging Industry and to paper-based packaging in particular. For example, one of the main recommendations of this pro-manufacturing initiative is to unwind energy policy and give UK companies room to breathe. The Chancellor's announcement in his Autumn Statement that the Climate Change Levy discount is to be increased was something of a triumph for the hard-pressed energy intensive industries (EIs). More details of the support package are yet to emerge, but it's good to hear paper manufacturing being mentioned specifically in the Chancellor's speech.

So it's clear that lobbying is having an effect, and we need to press on with it. CPI is signed up for another year of active engagement with the pro-manufacturing initiative because success on this front will lead to many improvements in the business environment for corrugated packaging and its customers.


The 'Manufacturing a Greater Britain' report pointed to a number of other areas where policies have to change.

There is a need to drive up the quality of the teaching of STEM (science, technology, engineering, maths) subjects in schools so that we have a better flow of skilled young people into manufacturing industry.

The Government should help UK industry to grow by investing in more research and development. At the moment, the UK is below the European average in this area.

A strong supply chain is integral to the health of the manufacturing sector. SMEs should be supported to help them locate overseas markets and to access finance.

Last but not least of the recommendations, is that more should be done to promote a positive image of manufacturing and promote its strengths.



Corrugated packaging represents around a third of all packaging in the UK and is being increasingly recognised by politicians as an essential industry. Servicing many thousands of customers in all kinds of manufacturing and processing industries, corrugated packaging is an excellent barometer of the pressure UK manufacturing as a whole, is under. On that basis, there are some excellent grounds for optimism. Right now, the Corrugated Industry is more productive and innovative than at any previous time in its history. We need to be able to peer through the fog of current economic troubles. When it clears, we should look to see a stronger, more vibrant manufacturing sector, resting on more secure foundations, and perhaps poised to regain some of its historic share of global markets.

## **ENDS**

For further information please contact Andrew Barnetson, Director of Packaging Affairs, on 01793 889602 or email [abarnetson@paper.org.uk](mailto:abarnetson@paper.org.uk).

## **Notes to Editors**

CPI is the voice and face of the UK's Paper-Based Industries, representing recovered paper merchants, paper and board manufacturers and converters, corrugated packaging producers and makers of soft tissue papers.

- CPI represents 72 Member Companies, with a combined annual turnover of £4 billion and 19,600 personnel.
- Over 80% of all corrugated cardboard boxes are recycled, giving the corrugated industry the best UK recycling rate of all packaging materials.
- For additional information on the UK Paper Industry, in the first instance, please contact Annabel Acton, Communications Manager, on 01793 889612 or email [aacton@paper.org.uk](mailto:aacton@paper.org.uk)
- Alternatively, please visit: [www.paper.org.uk](http://www.paper.org.uk)