

Chairman

Telephone: 021-554 5252
Telex: 338681

The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
LONDON SW1

21 May 1985
GM/PP

Dear Prime Minister,

Thank you for inviting me to your meeting this morning.

I was greatly encouraged by the progress we made on high lighting the problems facing us in providing the skills needed to revitalise the wealth creating sector of the nation.

Over the past year, my colleagues and I have carefully studied all the challenges facing us in this matter and I offer a few comments; a number of them came up in the meeting this morning.

The acute shortage of graduate engineers and technologists in this country is well known and in comparison there is a relative over supply of science graduates.

Although the newer specialisms of electronics and computer sciences are recognised, we believe there is still insufficient acknowledgment of the acute need for broadly based multi-disciplinary systems engineers to develop manufacturing systems and business systems.

The first phase of your initiative does not identify this critical emphasis on systems engineers - which is now a recognised major problem for IT users. As yet, only seven universities/polytechnics appear to have recognised this requirement and if we wait for other universities and polytechnics to become aware of the need and to respond in their normal time scales, it will be too late.

We do not think that further enquiries or research on this problem are needed. The Butcher Reports, the ACARD Manufacturing Report and the House of Lords Select Committee Report allow clear objectives to be set for types of graduate needed from Electronics to Manufacturing Systems Engineering.

Immediate impact could be made by joining together existing highly specialised engineering departments and combining resources within certain universities and polytechnics.

Since there is a limited pool of "A" level students, qualified to take science or engineering courses, diversion from pure science and mathematics degrees must be a prime way to increase engineering undergraduate numbers.

We suggest that a considerable number of physics and mathematics courses should be closed and the staff re-formed and re-trained to teach engineering. The courses could then re-open as "Engineering Physics" courses producing people with systems, software and electronic skills.

In the main, universities and polytechnics will only do this as a result of some significant intervention, for they are not sensitive to their "market".

Unless changes are made, this latest money will be channelled into traditional departments and the UGC and NAB have insufficient power to control or influence universities and polytechnics, once the money has been allocated.

Following the Jarrett report, we must have better executive management of engineering resources in Academia and clear distinctions identified within their resources and funds, so that they go for the purposes intended.

We suggest that the UGC and NAB need changes in their constitution and executive management powers to ensure that the identified priorities are implemented against target time scales.

Only your direct intervention can cause these vital changes to be implemented in the face of the academic establishment striving to maintain "Status Quo".

Your initiative to make these changes is actively and enthusiastically supported by all of us in Lucas and we will respond positively with additional funds and people.

We hope that the very welcome £43m spread over three years is only a sample of much more money to come - the problems facing us will need far more than this to ensure their resolution. We in Lucas alone, annually spend over £11m on training, sponsoring students and supporting academic establishments, and our expenditure is increasing.

I look forward to our next meeting in January 1986 when we will be able to review our joint progress.

I am sending a copy of this letter to Sir Keith Joseph, Mr Norman Tebbit, Mr John Butcher and Lord Young.

*With best wishes,
Yours sincerely
Godfrey Messervy*

GODFREY MESSERVY