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MINISTERIAL COMMITTEE ON ECONOMIC STRATEGY

COMMITTEE OF INQUIRY INTO THE ENGINEERING PROFESSION  
(FINNISTON REPORT)

Memorandum by the Secretary of State for Industry

#### Introduction

The Finniston Committee Report was published on 9 January and in this paper I wish to draw the attention of colleagues to the key issues which will require decisions by Government; to propose a timetable for those decisions; and to suggest a line to be taken by Ministers who will take part in the discussion at NEDC on 2 April.

#### The Key Issues Raised by Finniston

The main areas in which the Finniston Report calls for decisions and action by Government are the following:

- The establishment of a new Engineering Authority;
- The establishment of a statutory register of qualified engineers and the control of engineering practice;
- The accreditation of engineering degree courses and training programmes;
- Measures to encourage the continuing "formation" of engineers.

At the time of publication of the Report, I drew a distinction between these proposals on which it would be appropriate for early decisions to be made and the more detailed proposals which would require more time. There are several arguments which point towards the need for early decisions; we ought to remove the uncertainties for those concerned with education, training and recruitment of engineers as early as possible we need to maintain credibility on the intention of the Government to take some action on Finniston's proposals; and we need to keep open the option of introducing legislation in the next

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Parliamentary Session. At the same time we cannot reach decisions until the consultation process is complete because our decisions will depend to some extent on the willingness of others to take action - and notably industrialists.

Some bodies which have to consult their membership before they can form a considered view of the Report have reasonably asked for an extension beyond the end of March deadline set by my Department for consultations and this has been agreed. However, the present round of consultations should not be allowed to become a repeat of the procedure through which the Committee of Inquiry has already gone, nor should it indulge in the very detailed consultations, which will be necessary with those directly affected, should legislation prove to be necessary.

#### Present State of Consultations

The discussion and debate on the analysis and recommendations of the Report have made encouraging progress. In addition to those who are offering their comments without specific invitation, the Departments concerned have invited comments from over 450 industrialists, academic and engineering institutions and other individuals and bodies. In these consultations, it has been made clear that the Government neither endorses nor rejects the Report's recommendations but that we regard the general questions dealt with in the Report as matters of importance which call for action, not just from Government, but, more important, from industry, the higher education system and the engineering institutions. In reaching decisions Ministers will have to take into account the effects of the Report's recommendations on Government as a major employer of engineers; similar consultations are taking place within the Civil Service.

#### Initial Views

The initial views were largely favourable and were followed by a wave of less favourable comment, many opposing the setting up of a statutory authority. However, one theme which unites the responses so far, even from the strongest critics of the specific recommendations, is that there is a need for some action.

This view has been expressed particularly by industrialists and there are encouraging signs of the seriousness with which industry is considering the proposals. GEC and Ford, for example, are both involving their entire senior management in formulating a detailed assessment and response, while other submissions received indicate that companies are taking to heart the recommendations which the Report addresses to them and are reviewing their recruitment, training and use of engineers accordingly.

Finniston was primarily concerned with the engineering dimension in manufacturing industry. The circumstances of civil engineering are in certain important respects, different. Employers are already heavily involved through the existing institutions in the academic training and formation of young engineers. There is therefore some resistance by the Institutions in the "civils" group to civil engineers becoming /proposals ...

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proposals which would involve a shift of responsibility from existing bodies - though whether they would want to be totally excluded if we decided to set up an Engineering Authority is perhaps a different matter.

#### Possible Outcome

The most probable outcome of these consultations is that we will be presented with a range of alternatives. At the one extreme will be the Committee's proposal that we should set up a statutory authority responsible to the Secretary of State for Industry; at the other extreme there are those who believe we only need a revitalised Council of Engineering Institutions (CEI). Between these we are likely to be presented with models involving varying degrees of voluntary or statutory participation. We know of two such models, being developed by the Institution of Mechanical Engineers (IMechE) and by Sir Arnold Hall, of Hawker Siddely. There will certainly be others. There will also be alternatives to the Committee's suggestion for an Authority funded direct by Government. Proposals have already been voiced for financial support from employers and for self-financing measures.

The detailed educational proposals are equally provoking argument but here again there seems general acceptance of the need for change. These comments are being collected by the small Committee set up by the Secretary of State for Education, which has the task of preparing papers for the two day Conference in October to ensure there is a properly structured discussion.

#### Timetable for Early Decisions

In view of the progress being made on consultations and the need for early decisions on the most important matters I propose that the Inter-Departmental Group of officials which has been formed to consider the Finniston Report should bring forward a report, setting out the main options which arise from their deliberations and the consultations, by the end of May or beginning of June at the latest. This would allow an announcement before the Summer Recess about the Government's attitude to the key proposals for a new Authority, registration of engineers and accreditation of courses and training. It would not be necessary to give details of how these might be enacted but an early announcement would provide a better focus for the October conference on the educational proposals. It would also clear the way for further detailed consultations on any legislation which may be necessary.

#### NEDC Discussion

At the NEDC discussion on 2 April, when I shall present a short paper I believe we should restrict ourselves to welcoming the Report and encouraging the continuation of the debate; any other approach could prejudice the consultations.

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Conclusion

The Committee is invited to:

- a Note the key issues raised by the Finniston Report and progress of the current round of consultations;
- b Endorse the proposed timetable for decisions;
- c Endorse the suggested line for discussion at NEDC.

K J

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