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Rt Hon Chris Skidmore MP Minister of State for Universities, Science, Research and Innovation.

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Thank you for your letter dated 9 August to the Prime Minister, on behalf of the Council for Science and Technology (CST), making five recommendations to achieve an improvement to the UK's productivity. I am replying as this matter falls within my Ministerial portfolio.

The Government has made good progress in a number of the areas you highlight. CST will be aware of the £88 million new Government investment, announced on 10 October 2019, to help close the productivity gap between UK and major world economies. The funding will help kickstart the UK's largest and most ambitious productivity institute, whose aim is to examine how to boost productivity levels across the country.

Indeed, many of the areas you have highlighted are areas of focus from the Business Productivity Review which considers what actions by businesses, industry, and government would be most effective to help businesses to realise their productivity potential. These include the importance of strong leadership and management skills, adoption of basic technologies and seeking external support. This is supported by £56 million of Government investment, including funding to support business peer networks and to providing leadership training to our business leaders. The £9 million Business Basics Programme is testing innovative ways of encouraging SMEs to take-up proven technology and business practices that can boost productivity.

I am very grateful for CST's perspective on these areas that are crucial to improving our economy - I feel that we share the same view in many cases. I will respond to your points in greater detail shortly.

RT HON CHRIS SKIDMORE MP