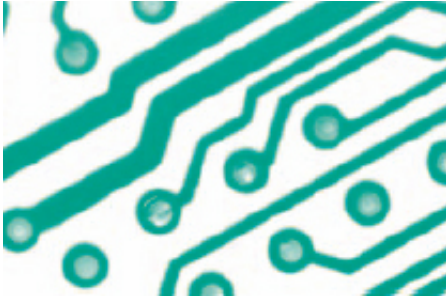


# One million UK jobs depend on physics, report reveals

18 October 2012



A new report from the Institute of Physics (IOP) shows that 4% of employees in the UK work in companies that would not exist without the physics base, or without employees that have an advanced understanding of physics.

Dr Frances Saunders, incoming President of IOP, said, "It's too easy to overlook the contribution that physics makes to the economy. From the number of jobs it creates to the value it adds, this report shows how much physics has to offer to our [economic recovery](#)."

Physics-based businesses employ more than one million people in the UK, creating a greater number of jobs than both the finance, banking and insurance sector and the construction sector.

Additionally, the value that employees in physics-based businesses add to the [UK economy](#) is almost double that of the average UK employee; in 2010, the Gross Value Added (GVA) by the average employee was £36,000, while the average employee in a physics-based business contributed approximately £70,000.

Looking at physics-based businesses' contribution to the [national economy](#) from 2005-2010, while employing 4% of the country's workers, these

businesses provided, on average, 8.5% of our national GVA (analogous to [Gross Domestic Product](#), or [GDP](#)) each year.

The report, produced in collaboration with Deloitte, assesses physics-based businesses' contribution over the years 2005 to 2010 (the most recent years from which data is available) and, as such, can be used to assess the effect of 2008's [financial crash](#) on physics-based businesses.

The total number of registered businesses in the physics-based sector has risen since 2005 by more than 30%, showing that physics has an important role in emerging sectors of the economy to help drive economic recovery,

Dr Saunders adds, "Physics-based businesses have the potential to pull us out of [recession](#) but they need focused support through more ready access to capital and innovative public procurement."

Oxford Instruments, a FTSE250 company with an annual turnover of £337 million, is a leading provider of high-technology tools and systems to academic, research and industrial markets.

The company's Chief Executive, Jonathan Flint, says that "100% of our revenue is dependent on the physics discipline.

"Physics can play an integral part in recreating an economy that we can all be proud of."

## What is a 'physics-based' business?

A challenge in the production of the report was identifying which [business](#) sectors can be classified as 'physics-based'; technology gifted by physics underpins a wide range of businesses – from Tesco's checkout to Curry's flat screen televisions, lasers and LEDs wouldn't exist without physics.

Tesco's and Curry's, however, would not have been included in the analysis as IOP and Deloitte agreed that 'physics-based' businesses would only refer to those businesses that would be unable to exist without ability to respond and adapt to latest advances in research.

**More information:** [bit.ly/R2p3Pj](https://bit.ly/R2p3Pj)

Provided by Institute of Physics

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