

## We still need a stronger recovery

GDP figures for July showed growth of 6.6%, continuing the recovery that started in May as the lock down began to ease. It still leaves the UK economy 11.7% down from the February peak.

Within the totals manufacturing is now down 8.7% on February. Areas like computers have regained all the losses, and pharmaceuticals are ahead. Trailing at the bottom of the pack comes transport equipment including cars, still down 26.7% on February. I have set out the special factors that are depressing this output in previous blogs.

Even more worrying is the continued poor performance of education and health. In July education output was still 21.9% below February. This will now correct given the successful return of most schools this month. Health output was still down 25.7%. More work needs to be done to get a full range of treatments, operations and surgery appointments to start tackling the big backlog. This should be an overriding priority of government.

Naturally arts, entertainments and catering remain very depressed as social distancing is continuing to take its toll.