



Unite the Union submission to Skills Commission – Inquiry into technician and higher level skills.

This evidence is submitted by Unite the Union. Unite is the UK’s largest trade union with 1.5 million members across the private and public sectors. The union’s members work in a range of industries including manufacturing, financial services, print, media, construction, transport and local government, education, health and not for profit sectors.

Unite is the main union representing technicians and highly skilled workers across the manufacturing sector. It is therefore a major stakeholder in all decisions around education, skills and training provision and funding, including science and technology funding. Unite welcomes the chance to submit evidence and would be willing to make further written and verbal submissions about any of the issues raised.

Introduction

The dearth of highly skilled workers in the UK is raising serious concerns for manufacturing industry as well as the wider economy. There is a clear role for government, by ensuring there is a manufacturing industry with longevity and investment and also making sure that the manufacturing sector attracts those people at the forefront of engineering R&D and innovation.

It is vital that employers are heard utilising their various voices from employer groups, trade associations, academic collaborations and trade unions. The role of the employer in driving the skills required by the sector cannot be underestimated. The UK has a number of key areas which are viewed as centres of excellence, including aerospace for wings and lift, vehicle building and automotive for electric cars and also the motor sports industry.

There is no doubt that in Europe, Japan and the US manufacturing careers command much greater respect than in the UK. Engineering is perceived as a highly skilled, well paid and important occupation with important linkages between academia and industry which allow for the free-flow of research, development and innovation.

The UK working age population has lower skills than the workforce in France, Germany and the US¹ this is a major contributing factor to the 15 per cent productivity gap with the UK's main economic competitors²

Unfortunately, this is not the case in the UK where careers in the City of London and other financial institutions have been able to 'court' the top graduates with huge salaries and benefits. The increases in student tuition fees and debt have exacerbated this situation and as such STEM graduates are often lost to the manufacturing sector completely.

In economic terms it is recognised that a highly skilled workforce it is vital to enhance and increase productivity. In the globalised market place it is the economies which are working at the most productive level, with economic policies which encourage education, training and skills who will reap the rewards of economic dynamism, high levels of innovation and improved export potential.

Unite believes that the changes which have happened in education and training over the past two decades have not helped the UK economy drive forward in the same way as Germany and a number of other developing nations in the far East. There have been serious problems with numeracy and literacy in the existing workforce and trade unions have undertaken a pivotal role in trying to address these issues within the workplace.

Unite believes a more holistic approach to education and skills would help employers to have a highly skilled pool of labour which is educated, highly trained and technically proficient. It would also be useful to have a more standardised approach to education and skills would help employers find and assess the right candidates for each job, especially in relation to small and medium sized enterprises (SMEs) who do not have extensive resources or budgets for in-house training and development.

Skills are vitally important, economically, socially and industrially. The prosperity of a nation is predicated on employment, productivity and a vibrant economy. A highly skilled workforce is a crucial part of this equation. Skills also offer considerable benefits to employers. A highly skilled workforce enables companies to work more competitively and productively. The ability to raise output per worker – without resorting to draconian measures – is the way to achieve a more sustainable economy and in doing so everyone in the economy benefits.

¹ DBIS Skills for sustainable growth, November 2010.

² ONS Data

Current skills provision

Unite has consistently commented about the complexity and the quality of skills training, especially in relation to young people. Too many vocational qualifications do not have value and it is unfair to encourage young people to follow a pathway which leads them nowhere.

The UK is weak in the vital intermediate technical skills that are increasingly important as jobs become more highly skilled and technological change accelerates³ the review of vocational education and training by Professor Alison Wolf found that, while high quality vocational training provision is available to some young people, between a quarter and a third of 16-19 year olds are on vocational courses with little or no labour market value⁴. This is a shocking indictment of the UK vocational system and clearly restricts young people's opportunity to acquire the high level technical and vocational skills which are increasingly required by UK manufacturing.

Action is also needed to increase the level of employer investment and engagement in skills, especially in relation to small and medium sized enterprises (SMEs). In contrast, in Austria, Germany and Switzerland, around 25% of employers offer apprenticeships, compared with just 8% in the UK⁵.

Unite recognises that one of the ways to increase productivity, without resorting to the exploitative measures involved in increasing working hours is by having a highly skilled workforce. Unfortunately the UK working age population has lower skills than the workforces in France, Germany and the USA⁶ Unite believes this is a major contribution to the 15% productivity gap with the UK's main manufacturing competitors.

Employers clearly need an educated, highly skilled and highly trained workforce, but what they also need is an existing workforce that has good levels of numeracy, literacy and IT skills. Trade unions have an excellent record of encouraging and facilitating workplace learning. With the Trade Union Learning Fund and the introduction of Learning Organisers in the workplace, many people have been able to access learning in their workplaces which has ensured literacy and numeracy has improved. I.T. skills and knowledge has also grown and workers have often found common ground with their employers within the skills and training spectrum.

This initiative has led to incredibly innovative work being done with some employers and a large number of Learning Centres being set up which facilitates not only formal learning in relation to the workplace but also informal learning, confidence building and personal development.

Unite believes it is vital that government adopt a holistic approach to education, skills and training. There must be clear pathways for young people

³ Skills for sustainable growth, DBIS, November 2010.

⁴ Review of Vocational Education: The Wolf Report, Professor Alison Wolf, March 2011.

⁵ The state of apprenticeships in 2010, Centre for Economic Performance, H Steedman, August 2010.

⁶ Ibid

to adopt and follow. These pathways will be different depending on what people want to achieve in their careers and the challenge for government and the education sector is to ensure that these pathways are pragmatic, transparent, rigorous and allow young people to achieve their true potential.

There must also be a qualifications system which has value. Government must build confidence in the education, skills and training programme in the UK, which has undergone systematic and unprecedented change over the past decade, much of which has been to no avail and has not helped young people gain the education, skills and training they need, nor has it given employers the proficiently educated and highly skilled workers they require.

Government must come to terms with the fact that UK manufacturing currently has two centres of excellence in Aerospace and electric car design and manufacture which will need the key highly skilled workers of tomorrow to be coming through the education and training programmes now. Research has shown that an additional 1000 technicians per year over the next 10 years will be needed in these high value industries. Government commissioned the report from Professor Wolf, regarding vocational education in the UK, now they must act on it and ensure that the technical skills required by UK plc are facilitated.

Funding for technician and higher level skills.

Evidence has shown that the last government and to a certain extent, this government have committed significant sums of public money to the education, skills and training agenda. However, a great deal of money has been wasted due to changes in education and skills policy, changes to the funding of graduate places and also the way FE colleges and awarding bodies are funded.

Education and skills funding is crucial to the UK economy and growth. This is an investment in everyone's future and most importantly it is the way successive governments show how much they value the workforce and how vitally important the industrial sectors are to the UK economy.

Government has an intrinsic role to play in ensuring there is the right level of funding for education and training when presented with the need by employers of a highly educated, highly skilled workforce. Unite hopes that the £180 million packages for 50,000 extra apprenticeship places, including 10,000 advanced level and higher apprenticeships targeted at smaller employers will go some way to benefit the advanced manufacturing sector and its supply chain.

This government also claims that it will deliver at least 250,000 more apprenticeships over the next four years as part of the growth review and an acknowledgement that apprenticeships are the way to ensure people can learn the skills they need for the advanced manufacturing sector. The apprenticeship programme has also been refocused to prioritise progression to level 3 and higher, this confirms what Unite and many employers have

been calling for and will help deliver the technician level skills that a dynamic economy needs⁷.

Unite believes that in the first instance government needs to re-visit the student fees issue and reinstate the funding of universities to ensure all young people who want to go to university - to achieve their true potential - have the opportunity to do so. The education system in England is at its least meritocratic since the turn of the last century; a situation which is extremely concerning and, in relation to our manufacturing competitor countries will ensure the UK workforce falls even farther behind than it is now in relation to education and skills levels.

Compare this to Germany, where the university fee system is on the brink of collapse after a large number of states decided to abolish the fees⁸ a commentator from the Social democrats said “tuition fees keep young people from low income families from studying and are socially disruptive”⁹

Government also needs to ensure there is a review of the current funding structures. There is a clear overlap and complexity to the way some courses are funded, and in some instances, one course can be funded by two separate mechanisms. This adds to the confusion and lack of clarity, and also compromise cost effectiveness and value for money objectives.

Unite has also questioned the effectiveness of the Sector Skills Councils (SSCs) in their commitment to responding to employer needs. It is vital that the skills and training agenda be demand and not supply led. FE colleges have a similar culture and it is difficult to break these barriers to learning and skills provision without a root and branch review. The funding of courses at FE colleges must be made simpler and there must be a more ambitious vision for what young people will be learning and the pathways needed to facilitate this.

Fortunately, Professor Alison Wolf made it quite clear in her report that it is totally unacceptable for young people to be encouraged into vocational courses which have no value to the student and have even less value to an employer and the wider UK economy. In her report she states, ‘I estimate that at least 350,000 young people in a given 16-19 cohort are poorly served by current arrangements. Their programmes and experience fail to promote progression into either stable, paid employment or higher level education and training in a consistent or an effective way’¹⁰

There must be an acknowledgement that FE colleges are there to progress the education and training of young people. However, there are clear failures in vocational programmes and this is in spite of the significant levels of funding from government. The priority must be to move the vocational system

⁷ DBIS – Strategy for sustainable growth, July 2010.

⁸ <http://www.guardian.co.uk/world/2011/mar/15/german-university-tuition-fees-abolished>

⁹ *ibid*

¹⁰ *Opcit*, page 21.

away from the current intransigent system and ensure that the very best of the current systems are replicated across the FE system.

Funding itself is not the issue, it is the sclerotic systems used in delivering the programmes that are at fault and must be addressed. Funding incentives have deliberately steered institutions, and therefore, their students, away from qualifications that might be challenging, towards qualifications that can be passed easily¹¹

Progression pathways for higher skills training

There are significant problems with ensuring there are clear progression pathways and this is predominantly to do with the shift in the way programmes are funded as discussed previously. It is vital that government addresses the issues with the current qualification-based funding mechanisms which undermine both standards and efficiency.

With the current system of payment by qualification it is very difficult for young people to follow a career path that does not involve a number of qualifications, many of which have very little value in the workplace. As such, SSCs have been forced to create qualification pathways rather than education and skills progression pathways. Unite is appalled that young people work hard for qualifications in the naïve belief that they will be able to progress to higher education, advanced apprenticeship schemes or worthwhile work.

The system itself is a disaster and is failing so many young people it is a tragedy. Unite believes there needs to be a core set of educational standards with Maths and English GCSEs at the very core. There then needs to be a set of pathways dependent on which career path the person wants to take. The career pathway must be transparent, genuine, legitimately accredited and above all else have a recognisable and transferable value for all stakeholders.

There must be sustained and committed input from government, employers, education establishments, trade unions and most importantly the students themselves. It is vital that the education and training systems in the UK are compared with international standards and systems to flag up to everyone concerned how vital it is that government gets to grips with a system that is well funded but is not fit for purpose.

The SSCs have an important role to play in drawing up education and training pathways for specific sectors and also the fundamental skills sets needed within those industrial sectors. This should not be done via a need for qualifications with no intrinsic value but a pragmatic recognition of the skills required and the pathways and qualifications needed for workers within that sector to achieve their goals and ambitions. This can then be used as a plan by FE colleges for delivery, and awarding bodies can use to create, stringent, minimum level 3 qualifications which have recognisable intrinsic – and international – value.

¹¹ The Wolf Report, Professor Alison Wolf, page 83.

Unite recommendations

- Education and skill levels in the UK need to be driven up – it is not acceptable for young people in a G7 country to leave school without the education/skills to enable them to fully achieve in the workplace.
- There needs to be a full review of the way vocational education is funded with a firm commitment to stream line the existing system.
- Government must ensure there are clear and uncomplicated pathways for young people to follow to enable them to achieve their true potential.
- A holistic approach to the UK education, skills and training system is vital in ensuring that the technically proficient and highly skilled workforce is available for employers.
- Encourage employers to carry out skills audits to identify skills gaps.
- Where employers fail to invest or deliver training government should consider introducing a statutory training levy.
- It is vital that the Trade Union Learning Fund is refunded, ensuring the skills agenda is promoted solidly in the workplace, including more learning partnership agreements, more learning centres and more union learning reps.
- Use government procurement as a lever for increasing training and skills and a driver for apprenticeship provision. Ensuring all contracts have a 'skilled worker' clause and also a 'training provider' clause.
- Government must re-visit the student fees issue and consider re-funding universities.
- Government must reinstate the right to request time off for training to workers, this is especially crucial in micro companies and SMEs.

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26th May 2011.