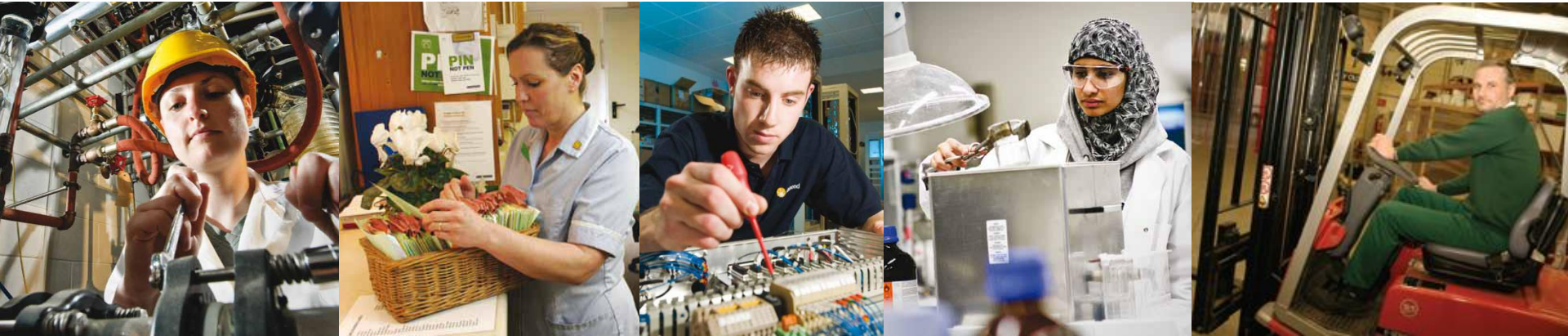


Skills for Growth

The national skills strategy



John Landeryou – Director of Further Education

The country's future can only be built by educated, enterprising and skilled people

“Skills is the most important lever within our control to create wealth and reduce social deprivation” (Leitch, 2006)

Effectively utilised skills

Increased productivity

Higher employment levels

For example, a 1% point increase in the proportion of employees trained is associated with an increase in productivity of 0.6% points, or £6bn a year to the economy

Improved health

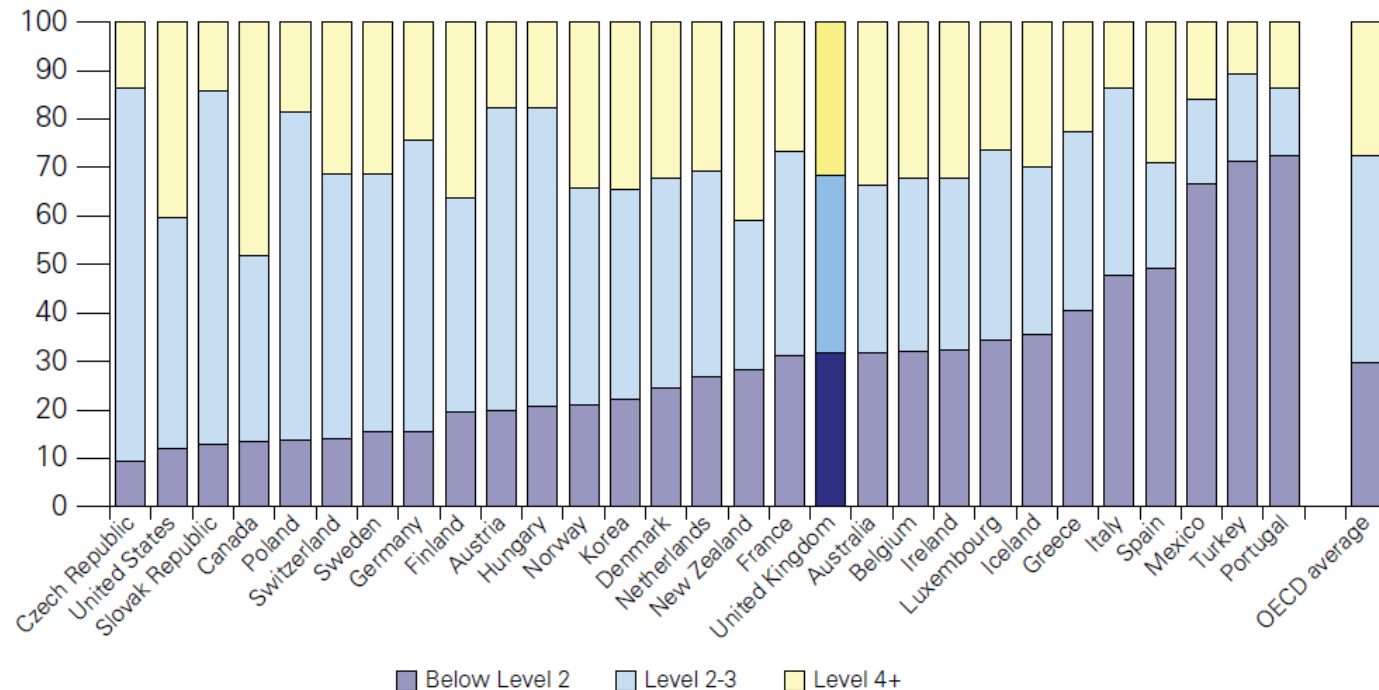
Reduced crime

Increased civic participation

Greater social mobility


The UK lags behind other OECD countries in terms of the quality of our skills base, with a particular weakness at Levels 2-3

Chart 1: International Comparison of Workforce Qualifications, 2007: Percentage of population aged 25-64 that has attained the equivalent of Below Level 2, Level 2-3 and Level 4 respectively



Source: OECD Education at a Glance 2009, Tables A1.2a and A1.3a

A number of publications set the context for our approach to developing the country's skills base

- 
- 2006
- Leitch Review of Skills & World Class Skills***
- Route more funding through demand-led paths
 - Strengthen the employer and learner voices
 - Ensure qualifications deliver economically valuable skills
- 2007
- Strategic Skills: right skills, right place, right time – speech***
- 2008
- Need to meet the strategic skills demand of a competitive economy – responding just to learner & employer demand is not enough
- 2009
- New Industry, New Jobs***
- Creating a better business environment
 - Identifying key sectors where targeted action will reap greatest benefits
 - Identifying where government action can make a difference

But we need to do more if we are to narrow the skills gap and deliver our goals

Improving training at the heart of a simpler system

Promoting skills for economic recovery

Expanding apprenticeships to build a new technician class

The key themes of “Skills for growth”

Raising business investment in workforce productivity

Equipping adults for future jobs

Responding to businesses and key sectors

Headline announcements under each theme:

Skills for economic prosperity

- Three quarters of young people to participate in HE or complete an advanced apprenticeship or equivalent technician-level course by the age of 30

Building technician class

- An additional 35,000 advanced and higher apprenticeship places over two years
- Apprenticeship scholarships fund - £1,000 for 1,000 of the best apprentices seeking HE
- Development of bridging courses
- UCAS points for all L3/4 frameworks
- Development of technician registration schemes

Responding to key sectors

- Match funding training for L3 and L4 in priority sectors - **Joint Investment Scheme fund of up to £50m (matched by employers)**
- New National Skills Academies bidding round - £16m available in 2010/11

Headline announcements under each theme (cont):

Equipping adults for future jobs or self-employment

- Skills accounts trebling access to training institutions
- Improving information about likely real-world benefits of taking courses

Raising business investment

- Giving employees the right to request time to train
- Promote skills and apprenticeships through public procurement
- Employer collective action on skills

Improving training

- Simpler funding and monitoring arrangements for best providers
- More publicly available data about performance

Headline announcements under each theme (cont):

Simplifying the system

- New role for Regional Development Agencies
- Reducing number of skills agencies by over 30
- **Qualifications and Credit Framework to be fully populated by the end of 2010**

Not forgetting the capacity and capability to deliver...

- Great strides in quality – but we need to keep improving and keep up
- Contribution of initiatives like Industrial Fellowship Scheme and LSIS support programmes
- The need for knowledge transfer and joint working between businesses in emerging sectors and providers