

LABOUR PARTY CONFERENCE FRINGE REPORT

Building Skills for the Future 12.45pm, Monday 24 September 2007, Bournemouth

SPEAKERS

Ian Powney, Chief Operating Officer, CORGI (Chair)
David Lammy MP, Skills Minister
Barry Sheerman MP, Chair of the Education and Skills Committee and Co-Chair of the All Party Parliamentary Gas Safety Group
Tim Balcon, Chief Executive, Energy and Utility Skills
Simon Bartley, Chief Executive, Summit Skills

Ian Powney welcomed guests and introduced the speakers on the panel. He said that whilst CORGI does not have an official role to deal with skills in the gas industry, there had been murmurings about a “skills crisis” in the industry in recent years and so this fringe event provided an opportunity to debate the extent of the skills crisis, and how to tackle it.

David Lammy said that he was very pleased to have been given the skills remit, particularly as the Prime Minister has shown his dedication to skills by putting it at the centrepiece of his new department. However he asked why there is a divide and lack of equity between academic and vocational skills. Two-thirds of the 2020 workforce are already at work, and the aging workforce is a particular problem in skilled areas of the construction industry. In addition, 6 million people in the UK are illiterate, and therefore it will be a big challenge to achieve the targets that Lord Leitch set in his review of skills.

Mr Lammy said that the way to achieve this is through culture change. Participants should have the right to request training from their employers, and know about the bursaries that are available to help them train. He stressed that the Government is committed to working closely with employers on this. Further Education colleges too will need to offer what employers need, and vocational qualifications will need to be reformed to deliver this.

For the building industry, there is a massive opportunity. The biggest building programme since the 1940s is underway, and Brown has committed to building more environmentally friendly and affordable housing. He said that he wants to grow apprenticeships, but there are challenges ahead. Smaller businesses find it hard to give the right level of training, we need growing access to apprenticeships in many areas, the gender balance in the industry needs to be addressed, and well as including BME groups, and there are unqualified people in the system, such as illegal gas installers. Mr Lammy once again stressed how the new Department for Innovation, Universities and Skills will work hard to tackle these problems, and ensure that schools don't dominate the education agenda.

Barry Sheerman began by commenting on how, historically, whenever the Education and Skills Committee held a meeting on skills there was a low turnout. As such there was a concerted push by the members to bring it up the political agenda. He was involved in the formation of the All Party Group on Skills and the National Skills Forum, and was pleased to see that the Government has taken a greater interest on skills in recent years with reports from Leitch and Foster.

Mr Sheerman argued that there is, in fact, no skills “crisis”. Many people are upgrading their skills but it is not happening across the board. He argued that we need to reach into older groups and highlighted that often middle managers do not have adequate levels of training.

Mr Sheerman noted that the Dearing report said that highly qualified people need to be paid for by the individual, the employer and society, and 21st Century companies should be investing in their workforce. Leitch had recommended that training should be based on demand, but Mr Sheerman pointed out that employees may not know what skills they want or need to develop. He also added that there was a problem with schools not incentivising vocational training, but strongly advocating academic routes. He said that this needs to be addressed by (a) the expansion of apprenticeships, particularly in construction, and (b) developing foundation degrees.

Barry Sheerman said that all groups involved need to participate in achieving the culture change required, but did question how 14-19 skills will be developed when responsibility is split between two departments. Mr Sheerman welcomed the fact the PM’s close aide, Ed Balls, has been appointed as the Secretary of State for Children, Schools and Families, but questioned whether education will still be a top job in the cabinet in three or four years time.

Simon Bartley explained that Summit Skills represents electricians, plumbers and heating and ventilation engineers. He agreed with Barry Sheerman’s comments that there is not a skills “crisis”, but did comment that there is a skills gap. He said that there were lots of applicants trying to get into the sector, but not all of them are good enough. Diplomas will make a difference, but we can not have a system where vocational careers are only entered into by those who are unable to carry on with academic studies.

Mr Bartley said that the Sector Skills Councils are starting to make a difference. However, in most SMEs employees are paid weekly, making it hard for them to take time off work to train. In addition, most managers started off as apprentices so don’t necessary have the skills to manage people effectively. If there is no continuous professional development for these groups, they will continue to plan on a week to week basis. Part of the problem is lack of forward planning, but Sector Skills Councils are making people think to the future.

Mr Bartley argued that funding for apprenticeships is less of a problem than some people make out, but said that he would like to see more funding for adult apprentices.

Mr Bartley suggested that many employers want to be successful and make a profit, and therefore if they are going to take on an apprentice there has to be something in it for them. He stressed that we need something in the system to incentivise employers.

Mr Bartley said that he wanted to see a move away from the “lowest cost mentality”, such as the argument that it is cheaper to teach a Polish plumber to speak English than train a new apprentice for three years. He also said that there is only anecdotal evidence of SMEs gaining from training, so this argument needs to be developed.

Tim Balcon discussed the aging profile of the gas industry. He said that there are lots of people now joining the register, but it is still a very fragmented industry. He said that the consumer needs to know about more about CORGI installers and how competent they are.

Mr Balcon commented that British Gas funds the bulk of apprenticeships, and said that this must be put back on the agenda. He also said that qualifications need to show competence as well as gas safety. He described how Energy and Utility Skills had been involved in developing a reformed qualification, which was trialled in Tottenham. The trial involved 2,500 people, but was stopped as they were finding that the system didn't recognise it.

Questions

The questioning from the audience largely focussed on how to tackle the gender balance of the industry and how to attract more people into the trade.

David Lammy acknowledged that big gender equality issues do exist and said that parents have a role to encourage their daughters to enter the ‘mucky trades’, a point which was also raised by Simon Bartley. He said that in a globalised world, brands are highly influential and many young people therefore want to work in occupations such as media and IT. They are not seeing trades, and therefore are not aspiring to join them. Barry Sheerman said that the supply chain also has to deliver. He said that the real way to get change is for public sector tenders to include clauses on companies employing a certain number of women and training their staff to a high level.