

## PM's skills speech: 29 September 2020

There are many reasons to – for me I should say – to come here to Exeter College – the outstanding Further Education College in Devon.

You have a total of 462 courses – some which I tried this morning – from particle physics to cake decorating.

And you offer your students an extraordinary chance to skill themselves in everything from football coaching to specialist Devon cookery, industrial robotics, heavy vehicle manufacture and design.

And I am thrilled that you offer philosophy, and languages, and even classical civilisation – but this is the home of the practical, the hands-on, disciplines that are not only academically and intellectually challenging but which are also of immediate practical usefulness and relevance to the world we live in.

And I don't just mean useful for individual jobs and livelihoods.

All of us in this country need you to have those practical skills – we need those practical skills collectively, as a society and as an economy – more than ever.

And so today I want to set out how this government will offer a Lifetime Skills Guarantee to help people train and retrain– at any stage in their lives – and enable us not just to come through this crisis, but to come back stronger, and build back better.

Our economy has been shaken by COVID, and in the hand-to-mouth scrabblings of the pandemic the shortcomings of our labour market – and our educational system – have been painfully apparent.

In the last few months I have been touring labs where people, many of them young, are working flat out on testing samples – testing for the disease, testing for the efficacy of potential vaccines, testing the tests.

And it is hard work. It requires endless patience, and good hand-eye coordination.

It also requires an excellent grounding in lab techniques and in the science – and every time I have been fascinated to find that a sizeable proportion of the technicians are from overseas.

And though I welcome that, because it is one of the glories of our education system that it attracts so many people from around the world, we have to face the fact – that at this moment when we need them so much, there is a shortage of UK-trained lab technicians, just as there is a shortage of so many crucial skills.

We are short of skilled construction workers, and skilled mechanics, and

skilled engineers, and we are short of hundreds of thousands of IT experts.

And it is not as though the market does not require these skills. The market will pay richly.

The problem is one of supply – and somehow our post-18 educational system is not working in such a way as to endow people with those skills.

And look I don't for a second want to blame our universities. I love our universities, and it is one of this country's great achievements massively to have expanded higher education.

But we also need to recognise that a significant and growing minority of young people leave university and work in a non-graduate job, and end up wondering whether they did the right thing.

Was it sensible to rack up that debt on that degree? Were they ever given the choice to look at the more practical options, the courses – just as stimulating – that lead more directly to well-paid jobs?

We seem on the one hand to have too few of the right skills for the jobs our economy creates, and on the other hand too many graduates with degrees which don't get them the jobs that they want.

And the truth is we're not giving anywhere near enough of the right kind of training or support to the fifty per cent of young people who don't want to go to university, and so we're depriving them of the chance to find their vocation and develop a fulfilling, well-paid career.

And so the result is business isn't happy; the economy is under-productive; and many working adults are stuck in jobs without much future when they are hungry for new opportunities.

So it is time for change, and for radical change.

Let us begin by admitting that part of the problem is that not every FE college is as superb as Exeter College.

We need to invest in skills, and we need to invest in FE.

That is why we are putting £1.5 billion into upgrading and improving colleges across the country, fixing the leaky ceilings, bringing forward £200 million this year.

The facilities here are awesome. I tried them myself this morning. And improving all FE is part of our levelling up agenda to ensure that the same quality applies everywhere.

And as everybody knows, you can't acquire skills in the classroom alone. You need to learn on the job, to build up the muscle memory and not just the theoretical understanding.

So I can announce today that we will be expanding apprenticeships, reforming

the system so that unspent funds can be used more easily to support apprenticeships not just in big companies, but in the SMEs where there is so much potential for job creation.

And we want many more of these apprenticeships to be portable – so you can take them from company to company.

Suppose you are in a small start-up making videos for Youtube, and the project ends – so you've got to move to another such small company. Under our plans, you will be able to take that apprenticeship to your new employer and it won't die with the end of the contract.

But if we are going to reform our post-18 education, we must go much further. We've got to end the pointless, nonsensical gulf that has been fixed for generations – more than 100 years – between the so-called academic and the so-called practical varieties of education.

It's absurd to talk about skills in this limited way. Everything is ultimately a skill – a way of doing something faster, better, more efficiently, more accurately, more confidently, whether it is carving, or painting, or brick laying, or writing, or drawing, or mathematics, Greek philosophy; every single study can be improved not just by practice but by teaching.

So now is the time to end this bogus distinction between FE and HE.

We are going to change the funding model so that it is just as easy to get a student loan to do a year of electrical engineering at an FE college – or do two years of electrical engineering – as it is to get a loan to do a three year degree in Politics, Philosophy and Economics.

The Augar review highlighted the complexity of the funding system, the bias that propels young people into universities and away from technical education. It is time to end that bias.

We will give FE colleges access to the main student finance system, so that they are better able to compete with universities; not for every FE course, but for a specific list of valuable and mainly technical courses to be agreed with employers.

And in the coming years, as part of our Lifetime Skills Guarantee, we will move to a system where every student will have a flexible lifelong loan entitlement to four years of post-18 education – and suddenly, with that four year entitlement, and with the same funding mechanism, you bring universities and FE closer together; you level up between them, and a new vista of choice opens up.

I want every student with the aptitude and the desire to go to university to get the support they need, but I also want all young people to be given a real choice in life, and not to feel there is only one route to success.

At the moment many young people feel they have to go for the degree option. They feel they have only one chance to study, and to borrow. They might as

well go for the maximum, and get a degree.

Under our plans you could go for a one-year technical qualification and launch yourself at life – or you could do that, and then go to university later on. You have the choice.

And it will be easier for older people to borrow to do courses locally – and to study and train part-time – to acquire the skills that can transform their lives.

And of course we need this nimbleness now, this flexibility to acquire new skills, because COVID has massively accelerated changes that were already happening in the UK economy, whether in retail or in restaurant chains.

And while the government is building on our furlough scheme,

And we're devising ever more imaginative ways to safeguard jobs and livelihoods, including the Winter Economy Plan, which Rishi Sunak the Chancellor announced last week,

Alas as Rishi said, we cannot save every job.

But what we can do is give everybody, give people the skills to find and create new and better jobs.

Of the workforce in 2030, ten years from now, the vast majority are already in jobs right now. But a huge number of them are going to have to change jobs – to change skills – and at the moment, if you're over 23, the state provides virtually no free training to help you.

In fact we have seen a haemorrhage, in the last 20 years, in adult education – a million fewer than there were.

We are going to change that right now. We are expanding the digital boot camps – where you can learn IT, whatever your age, replicating our highly successful training camps in Manchester and Birmingham in four more locations.

Above all, from next April, we will introduce a new funding promise. As part of our Lifetime Skills Guarantee, we will now fund technical courses for adults equivalent to A level, all of which teach skills that are highly in demand.

They'll give anyone who left school without an A-Level, or equivalent, the qualifications they need when they need them, when they need them, helping people to change jobs and find work in the burgeoning new sectors that this country is creating.

So suppose you work in retail or hospitality, and you think you are going to need to find a new job. And before COVID people were already shopping more online, and already sending out for food. But the crisis has compressed that revolution.

So let's imagine that you are 30 years old, and you left school without A levels, and you are thinking you could find a job – you were in retail or hospitality – you could find a job in the wind farm sector in the north east, or in space technology in Newquay, or in construction here in Exeter, or retrofitting homes so as to reduce carbon.

You might see a job for yourself on one of the vast engineering and infrastructure projects that this government is leading: a surveyor or a rail technician. You might want to work in adult care. Crucial sector for our country.

You have a huge range of options – in theory – but you need that technical knowhow, you need that A-level equivalent qualification; and we will fund it. We will give you the skills you need.

The British economy is in the process of huge and rapid change, driven by the internet and the possibilities of remote communication.

But as old types of employment fall away, new opportunities are opening up with dizzying speed – vast new sectors in which this country already leads or can lead the world.

And over the last few centuries there is no other country that has shown the same adaptability, the same ingenuity in matching the demands of new technology.

But for the last few decades, alas, we have been hamstrung as a country by a lack of investment in infrastructure, in science, by our antiquated planning system and by our failures in technical education.

And this Government is putting that right

We're making unprecedented investments in infrastructure – and doubling the investment in science and technology from £11 billion to £22 billion a year by 2024.

We're changing the planning rules so that it's easier to provide homes for young families and for businesses to grow and invest.

And we're transforming the foundations of the skills system so everyone has the chance to train and retrain.

And this combination of reforms will tackle the fundamental problems in our economy of productivity and growth

helping the country to invent new industries and contribute to humanity's great challenges, from fighting pandemics to achieving net zero carbon emissions.

Above all, it will make this country, our United Kingdom richer and it will make our country fairer.

So my message today is that at every stage in your life, this government will help you get the skills you need.

Through our Lifetime Skills Guarantee,

we'll upgrade Further Education colleges across the country with huge capital investment;

we'll expand apprenticeships, making it easier to get a high quality apprenticeship, and connect them better to local employers who know where the jobs of the future are going to emerge;

we'll fund free technical courses for adults equivalent to A level, and extend our digital boot camps;

we'll expand and transform the funding system so it's as easy to get a loan for a higher technical course as for a university degree, and we'll enable FE colleges to access funding on the same terms as our most famous universities;

and we'll give everyone a flexible lifelong loan entitlement to four years of post-18 education – so adults will be able to retrain with high level technical courses, instead of being trapped in unemployment.

And this long-term plan – learning from what has worked around the world – will finally enable our amazing country to close the gap with other countries that in this one respect have had – or thought they had – the edge on us when it comes to skills and technical education. They thought they had the edge on us for 100 years. Well we have the talent. We have the potential. All we need to do is give people the chance.

And yes we face a once a century pandemic but now is the time to fix a problem that has plagued this country for decades.

Now is the time to end the pointless, snooty, and frankly vacuous distinction between the practical and the academic.

And now is the time to give everybody – with this Lifetime Skills Guarantee – give people of all ages the means and the confidence to switch and get the skills they need.

And now is the time for all of us to begin to build back better.