

Speech: Universities Minister speaks at UUK annual conference

When I took office in January, I said that we were now in the Age of the Student. Since then I've made it a priority to visit campuses and listen to students. I'm going to keep on doing this. Now, as the new academic year begins, I'm delighted to be here to talk to you, the leaders of the sector, at my first Universities UK Annual Conference. And not just any UUK conference: your centenary.

Since it is both UUK's hundredth anniversary and my first appearance, I'd like to take this opportunity to focus on the big picture. In particular the future of our universities and the critical role they can play in the fundamental transformation of our country.

We all know that the coming year will be an eventful one. March 29 sees the Article 50 deadline, when the UK is set to leave the EU. A review of post-18 education and funding is underway. We are busy implementing the reforms set out in the Higher Education and Research Act. The Office for Students is getting to grips with its task. And we are working hard on urgent issues from Grade Inflation to Essay Mills. I know that in the weeks and months to come I will be working with you on all of these.

But I also know that in times of change, it can be easy to be swept away by the rush of activity, – and if not to forget, then to be distracted from – our core mission. Today, as we reflect on a hundred years of UUK, it's a good opportunity to renew the core mission of our universities for the next few decades.

Let me start by setting out what I hope I have made obvious in the past 9 months: I love our universities.

That is not just because university was a defining moment in my life. It is because I respect what universities represent at their best: places dedicated to the free and robust exchange of ideas. Places where curiosity and passion drives the search for knowledge. Places where you can break free of whatever handicaps the circumstances of birth and background bestow. Places to develop, that are at once safe and profoundly challenging.

Going to university is worth it.

My regard for Britain's universities is more than just subjective. Given the state of debate on higher education in parts of the UK media, what I am about to say next may be controversial. But I will say it anyway: going to university is worth it.

A good degree is worth the investment, both the investment that students make through fees, and the investment that the government makes through the T-grant and through the student loans system. Research still demonstrates that

the graduate still earn a premium over their lifetime. What is more, university can be a 'rite of passage' – with an important opportunity to learn and grow as a person.

Perhaps this is obvious to all of you in this room. But as George Orwell argued, there are times when "the restatement of the obvious is the first duty of intelligent men". While we're at it, it is a good time to challenge other myths that surround our universities.

Like the idea that universities provide only academic education, rather than a vocational one. One only needs to look at the list of courses at some of our oldest universities to realise the idea that degrees are academic, not vocational is mistaken.

Let's also challenge the false dichotomy between Higher Education and Further Education that dominates the public debate on post 18 education. In fact, we have further and technical education being taught in the Higher Education sector, and higher education qualifications being awarded in the Further Education sector. This is not a zero-sum game. If the UK is to thrive we need more technical skills and more general analytic and creative skills; more vocational education and more academic education; more Level 4 and 5 skills and more degrees, both undergraduate and graduate level.

There is always the temptation for us policy makers to over-emphasise the need for higher education to produce the skills the country needs – and today these are defined broadly as stem skills. But we also need to recognise as most parents do of their children that people are born with different talents, passions and aspirations – and so what we need is a system with quality at its heart so that whatever path a young person chooses, they can still flourish.

This is not to say that every degree at every university is as good as it can be. I have spoken before about the importance of understanding which degrees do not offer value for money, and making sure students have the information to make the choices that are right for them. But it is right that we make a full-throated defence of the value of university education as a whole.

We should also be clear-eyed about the advantages of our Higher Education funding system. The English system of funding undergraduate study through fees and loans has allowed us to remove student number caps, made access fairer, and kept our universities adequately funded to pursue their mission.

Young people from the most disadvantaged areas were 43 per cent more likely to go to university in 2016 than they were in 2009 and 52 per cent more likely to attend highly selective universities. Resource per student has increased by 25 per cent. This is not the case everywhere. In Scotland this summer, it was reported that Clearing places were available for English students and international students who pay higher fees but often not for Scottish ones. In Germany, resource per student fell by 11 per cent between 2010 and 2014. And many of you will remember how things used to be when it comes to funding: in the decades before fees were introduced, resource per student fell by 40 per cent. Fees and loans have allowed us to correct what

was a dire financial situation for our universities. Our student finance system is not perfect. But it has some major advantages. And I can assure you, I am deeply aware of them.

That is not to say that the political debate that universities find themselves in can be ignored. If universities want to play an active role in the public realm, you and the Government collectively have a duty to earn and retain the public's trust.

There are two particular areas where we need to be vigilant.

The first is value for money. I've spoken before about the need to ensure that students get a quality education in return for the investment they make. If the perception grows that universities are offering threadbare courses, or prioritising getting bums on seats over quality, the credibility of the HE sector as a whole will suffer. Likewise if universities see applicants as commodities, and neglect the student experience or their mental health needs. Or if universities are seen as hotbeds of unjustified high salaries.

This is why we have pushed ahead with the Teaching Excellence and Student Outcomes Framework and Longitudinal Educational Outcomes dataset. And it is why I have been vocal on issues like the growth of unconditional offers, mental health on campus and the rise of essay mills.

The other big risk for universities is becoming disconnected from the wider world. If universities are seen as ideological echo chambers; if research is seen as disconnected from the wider world; if universities are seen as distant from their communities, again, their mission will be compromised and their credibility will suffer.

I know that many of you work hard to prevent this kind of turning inwards. Our best universities are not ivory towers. Still less are they "left-wing madrassas", as one controversialist chose to describe them. But ideological diversity, strong research cultures, engagement with the wider world, and fair access are ongoing battles – and the price of failure will be very high.

This is particularly important at this moment in our country's history. I hardly need to name the inescapable political fact of the next twelve months – the one that is six letters long, and begins with "B".

I'm keenly aware that the UK's departure from the EU raises a variety of important practical issues that we and you are working together to address, from the future of ERASMUS+ to how UK researchers will participate in Horizon 2020 and Horizon Europe. Indeed, I have just returned from meeting with MEPs and officials in Brussels to continue our discussions on many of these issues.

But there is another Brexit debate that we as a country need to have, alongside the negotiations over our future relationship with Europe. That debate is about the future of the UK – about our place in the world, how we will thrive as a nation, and the sort of country we aspire to be. Frankly, some of these questions were there before Brexit, but the vote to leave the

EU has thrown them into sharp relief.

When I think of what sort of country I want Britain to be... I think of a country that is open to and engaged with the world...and by that I mean the rest of the world AND the EU...one that lives by its wits, and stands at the forefront of science, of technology and of learning.

A country whose economy is driven by knowledge and by innovation, one that harnesses our spirit of ingenuity and endeavour to enrich its people and to improve the lot of humanity.

A country with a skilled, educated population, where everyone has a chance to get a good education. A prosperous country, and one where that prosperity is shared across the country.

A country where no matter where you were born or where you grew up, you will have every opportunity to fulfil your potential and be who you were meant to be.

No matter which way you voted in the referendum, if I asked you if you wanted to be better off than you were before, the answer would be yes. If I asked you if you wanted a better future for your children, the answer would be yes. If I asked you if you wanted to live in a country that was bold, innovative and inspiring then the answer would be most certainly be yes.

It will come as no surprise to you when I say that thriving, world-class universities sit at the heart of this vision. This is a vision of Britain that draws on each of universities' three traditional missions: teaching, research, and wider engagement.

We cannot build the workforce the country needs to thrive in the new economy without a significant contribution from universities. Our HE sector can provide both the general, transferable skills demanded by jobs in the knowledge economy, but also the specific, vocational skills demanded by many jobs from nursing to video game design. Indeed, we should see the widely acknowledged need for Britain to improve its Level 4 and Level 5 skills and to train more apprentices as opportunities for the university sector.

We will need to build on universities' track record of improving access for those from the most deprived backgrounds. The track record since student number controls were removed is something we should be proud of – but none of us would pretend there is not far more than can be done.

Universities' research mission will also be vital for the kind of Britain we need to create. Research and development sit at the heart of the Government's industrial strategy, and hold the key to creating productivity growth and good jobs. And, through our four Grand Challenges – of Clean Growth, Healthy Ageing, the Future of Mobility and Artificial Intelligence – they can help address the big challenges facing our society and the planet as a whole. Indeed, in the UK, our universities do a greater share of total R&D than in Germany, France or many other rich countries – making their role even more important.

I am proud to be part of a Government that is delivering the biggest increase in public R&D funding in history, and our goals for the future are more ambitious still. These goals rest on the ingenuity and engagement of our universities and their partners in the world of business. And on continuing and building on our effective research partnerships with the best and brightest in the rest of Europe and in the wider world.

This is not just a question for scientists and engineers. If we want to harness Big Data effectively, to build a green economy, or to make transport work better, we will also need the research of economists and psychologists, of philosophers and historians – of the wisdom and judgment that the humanities and social sciences bring.

Make no mistake: there will be plenty of big questions to solve. Our age is one of global upheaval: we are unstitching a 40-year relationship with the EU; the norms of world trade and the global economy are being questioned; with increases in life expectancy our society is grappling with the challenges posed by ageing like we never have before; we are striving to make sense and make use of new technologies; and the role of the nation state and national identity are under constant debate.

It may not be fashionable to say it, but at times like this, we need experts more than ever. This is not the time for our universities to shrink back and sulk. We need our universities to engage and lead in these debates publicly, because you are the connective tissue to the next generation.

We will need to make the most of universities' direct contribution to the economy too. When the media talk about British industry, they'll often send a reporter to a factory making cars, aero-engines or machine tools. But they're missing something.

The higher education sector accounts for £21.5bn or 1.2% of the UK's national output. That's more than our automotive sector, the advertising industry, or our defence industry though you won't hear that on the news.

Our universities employ nearly 420,000 people, for the most part in the kind of high-skilled, rewarding jobs that we all want to see more of.

International students account for £11.5bn of exports each year – a bigger contribution to our balance of trade than a host of more familiar exports, including natural gas, Scotch whisky, or car components.

We also need to think seriously about international students and researchers. Out there, somewhere in the world, there are people, young and not so young, with the ideas and the potential to send shockwaves through the status quo. A young scientist is thinking about how he can solve world hunger, an engineer is looking up at the stars and dreaming of technology that could take us out into the cosmos, and an aspiring doctor is devising ways to treat and cure cancer. I want the UK to be where current and future generations come to see their ground-breaking ideas come to life and truly make a difference to the world.

The forthcoming report of the Migration Advisory Committee on student migration offers us an opportunity to ensure our policy on student migration recognises the contribution that overseas students make to our universities, our balance of trade and our communities. We can build on the global perspective of UKRI's £1 billion Future Leaders Fellowship programme and the UKRI visa regime.

I welcome the fresh thinking behind UUK's proposals on an expanded post study work offer for overseas students. Certainly, if we want our universities to win globally, our actions must match our ambition.

Our vision must be local as well as global. The great universities of the nineteenth and early twentieth century were founded with a clear civic vision. They promoted not just the republic of knowledge, but also their local town and community.

Today, when our cities are no longer dominated by the smokestacks of big manufacturing employers, this role is all the more important. So it is good to see the revival of the ideals of the civic university. If we want to promote growth and opportunity across the country, universities' local engagement will be more important than ever. The role of universities as economic hubs, as magnets for investment and sources of support for businesses, will be vital if we want broadly based economic growth.

In all these ways, universities have an essential role to play in creating the country I want to see in the years to come.

And there's one more factor, a factor that is intangible but vitally important: and that is optimism. In my visits to campuses across the country, one thing that is unmissable is the optimism and vitality of the people I've met, whether they are students soon to embark on their careers, or researchers tackling the greatest mysteries of nature and of society. This isn't mindless optimism – it's the spirit of those who know that with the right skills, knowledge and opportunities, they can change the world. Britain will need a strong dose of this tough-minded optimism if we are to build a better future.

In recent months, some people have said that what global Britain needs to succeed is a new Royal Yacht Britannia. I disagree: nineteenth-century tactics are not going to secure our twenty-first century future. But our universities, if they're globally connected and locally engaged, can be the UK's flagships in the economy of the future.

The vision I've described is a long-term one – it goes beyond the issues of the coming weeks and months and looks out to 2050. But make no mistake: the debates that will decide what sort of future we face are happening now.

And the university sector can lead them. You can't have a meaningful conversation about the future of the UK without talking about universities, and you cannot have a meaningful conversation about universities without talking about the future of the UK.

Now, it is not my intention to make a window into your souls – but I would hazard a guess that not a few of you in this room voted “Remain” in the referendum. And so did I. But whether you supported Leave or Remain, now is the time to make your voice heard in the debates about the kind of country we wish to be in the future, and the role that our universities can play in this.

Not so long ago, Sir Michael Barber made the point that Golden Ages didn't have to be behind us. I'm not in the business of making predictions...but I think it is incumbent on us to do our best to make this a reality.

It is a huge privilege to be minister for universities. And of course, no minister is in their job forever. But as long as I hold this post, I will be focused on delivering value for students, and putting our universities at the heart of Britain's future. And I look forward to working with you all on it.