

New national skills strategy to focus on engineering

The CBI has praised the Government's new national skills strategy and said that it is right to focus on engineering jobs and developing valuable sectors such as science and technology.

Business Secretary Lord Mandelson announced the wide-ranging plans last Wednesday at the launch of the *Skills for growth* White Paper. Proposals by the Department for Business, Innovation and Skills include spending around £100 million on 160,000 training places in areas such as engineering, construction and advanced manufacturing.

Presenting the document in the House of Lords, Lord Mandelson said: "We will create a new, modern class of technicians, something that has long been identified as a gap in the labour market. There will also be 35,000 new advanced apprenticeships created over the next two years, combined with a new streamlined approach to skills policy that will cut the number of public bodies involved in the area."

£1,000 scholarship

Lord Mandelson also said that there will be a £1,000 scholarship for people who have completed apprenticeships and want to "extend their skills" at university. UCAS will give apprenticeship programmes tariffs equivalent to A-levels, to allow apprentices to qualify for a place at university. The Government will also encourage the expansion of technical colleges, to cater for 14- to 19-year-olds who want to train to become technicians.

"There is a strong feeling that apprenticeships were withering over the last 20 years, that Government commitment was half-hearted and,



almost, that apprenticeships were old-fashioned. Well, they are not — they are back and being expanded," Lord Mandelson said. He added that we need the skills required to lay the cables to expand access to the high-speed Internet, to build the electric vehicles of the future and to develop the medicines that will save lives.

The Business Secretary also said that he would cut thousands of the worst college courses, as well as up to 30 training quangos, to pay for the new apprenticeships. The quangos facing a cull, cut-back or merger include the Qualification & Curriculum Development Agency and Life-long Learning UK.

Every college course will be rated under a new 'traffic light' system, mirroring plans set out a fortnight ago to label university courses with

statistics about pass rates and future employability. This is designed to give students better information and expose low-quality courses to the pressures of the market, making colleges close unpopular or ineffective courses. "Colleges will be forced to improve and expand courses in areas where there is demand for trained technicians — such as 'green' technologies and the bio-sciences," said Lord Mandelson.

The Business Secretary also revealed that, from next year, every adult is to receive an on-line personal skills 'account' when they turn 19, documenting their qualifications so far and setting out their options for further training. For people with no basic GCSEs, the account will have £5,000 worth of credits to be spent on going back into education.

"Tough decisions ahead"

Reacting to the White Paper, Susan Anderson, the CBI's director of education and skills, said: "There are tough decisions ahead for the Government, but it is right to focus on delivering valuable skills such as science, technology and engineering, plus high-skill apprenticeships."

Brendan Barber, the TUC's general secretary, said: "By providing extra funding for advanced apprenticeships and helping trainees to go on to university, the Government is putting apprenticeships at the heart of our education system. Apprenticeships have come a long way since going into long-term decline in the 1980s and 1990s."

Stephen Alambritis of the Federation of Small Businesses welcomed the idea of a technician class, saying that small employers lacked highly trained workers more than they did graduates. Steve Radley, director of policy at the EEF, said: "This strategy comes at a crucial time. Given the urgency brought on by the recession, it is more important than ever for us to have a skills system that helps UK businesses to succeed in highly competitive world markets."

"Moaning" small-business owners attack Lord Sugar

Business groups have criticised Lord Sugar for dismissing struggling owners of small businesses as "moaners" and saying that they have no reason to complain during the recession.

Speaking at a conference for SMEs in Manchester, the Government's 'enterprise czar' (and star of *The Apprentice*) said that just 15% of those who had been refused credit during the downturn had real grounds for complaint. The remaining 85%, he said, needed an insolvency practitioner rather than more credit.

Lord Sugar was also dismissive of protests over bank lending to small businesses; he claimed that many of the concerns expressed over lending were down to younger business owners, who had only

ever known the Disney World credit conditions of the past decade. "I can honestly say that a lot of the problems you hear from people who are moaning are from companies that I wouldn't lend a penny to," he said.

Phil Orford, the chief executive of the Forum of Private Business, said that Lord Sugar's comments were misguided and showed a worryingly dismissive attitude to the problems experienced by small firms.

Meanwhile, the Federation of Small Businesses called for the Apprentice star to resign. Its spokesman, Stephen Alambritis, said that Lord Sugar had no grasp of the hard work carried out by small businesses in the UK. "Most small firms live in the real world, not Disney World, and they

lie at the heart of our economy. They are not moaners, and the fact is that they are working hard in difficult times and need help from the banks."

Responding to the criticism, Lord Sugar said that he might "walk away" from his position. He said: "Too much negative stuff is really unhelpful. I may decide that this is simply not worth it, when you're giving your time free of charge for no agenda. What am I going to get out of it? I'm not getting paid. I've not got my titles for the sake of a badge."

He added: "I think it's safe to say that, if the Conservatives got in, they wouldn't want my services. In fact, the chances of a Tory government calling on me are as likely as a rabbi eating a bacon sandwich."