

## RESPONDENT INFORMATION FORM

### Supporting a Smarter Scotland – A consultation on supporting learners in higher education

Please complete the details below and return it with your response. This will help ensure we handle your response appropriately. Thank you for your help.

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1. Are you responding: (please tick one box)

(a) as an individual

(b) **on behalf of a group/organisation**  go to Q3 and then Q4

#### ON BEHALF OF GROUPS OR ORGANISATIONS:

3 The name and address of your organisation **will be made available to the public** (in the Scottish Government library and/or on the Scottish Government website). Are you also content for your **response** to be made available?

Yes

#### SHARING RESPONSES/FUTURE ENGAGEMENT

4 We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for the Scottish Government to contact you again in the future in relation to this consultation response?

Yes

### Section 3 - Investing in student support

Reform of student support presents an opportunity to create a system which incentivises those students and subjects which are central to Scotland's future economic success.

As the Sector Skills Council for Science, Engineering, and Manufacturing Technologies, Semta represents the views of employers in these key industries across the UK. While, as a whole, Semta's employers would prefer a single approach to funding across the 4 Nations, the current economic situation forces certain revisions and caveats to this view.

Scottish industries in Semta's footprint are particularly concerned about a shortage of graduate-level skills and innovation. The recent Skills Balance Sheet for Scotland found that although a net decline in employment is likely in all Engineering sectors, significant numbers of staff will be needed in all sectors in order to replace those who leave their jobs because of retirement or other reasons. The projections point to a net requirement of about 15,000 employees (1,600 per annum) within Engineering in Scotland over the period 2005-2014 to replace those leaving.

20% of Engineering establishments in Scotland had hard-to-fill vacancies over between March 2006 and March 2007 (17% for UK Engineering). It is estimated that these hard-to-fill vacancies could have cost the Scottish economy as much as £69 million in lost GVA.

Employers in Scotland expected skills gaps for professionals to have the most significant effect on their business. The main skills cited as lacking in employees were technical and engineering skills at all levels; 68% of those Engineering establishments in Scotland reporting skill gaps.

Together with changes in skill requirements, qualifications demanded by employers are likely to change, with an increasing requirement for **intermediate and higher level qualifications**. The analysis points to a net requirement over the period 2005-2014 for about 3,000 people at SVQ Level 3 (SCQF Level 6/7), about 4,000 at SVQ Level 4 (SCQF Level 8-10) and about 1,000 at SVQ Level 5 (SCQF Level 11 or above).

We believe that student funding and support in higher education should therefore be targeted at those subjects (Science, Technology, Engineering and Mathematics) which will provide our companies with the right skills and knowledge for the future. If Scotland is to realise its ambitions in science, technology and innovation (as articulated in *Science for Scotland*), students must be encouraged to study these subjects to the highest levels, in institutions funded to deliver a quality learning experience.

**We recommend that student funding and support is therefore linked to the subject of study, with additional funds made available to students of science, technology, engineering and mathematics.**

By incentivising these subjects, Scotland not only increases opportunities for young people, but also sends a clear message that economic priorities are playing a part in public investment. Companies in all sectors welcome STEM students, in all kinds of roles. By investing in STEM students, the entire economy will benefit.

An additional argument for such incentives is the fact that STEM subjects are also known to be more demanding in terms of time than other subjects. This reduces the student's ability to work in paid employment to support themselves while they study. If more funding were available to them, the pressure to earn would be lifted.