

SOUTH EAST WALES REGIONAL COMMITTEE

MINUTES OF COMMITTEE MEETING

Date: Friday 9 June 2000

Time: 9.30am to 12.30pm

Venue: Council Offices, Clydach Vale, Rhondda

Attendance:

Members:

Carwyn Jones (Chair)	Bridgend
Lorraine Barrett	Cardiff South and Penarth
Peter Black	South Wales West
Christine Chapman	Cynon Valley
Jane Davidson	Pontypridd
Geraint Davies	Rhondda
Janet Davies	South Wales West
Jocelyn Davies	South Wales East
Sue Essex	Cardiff North
Michael German	South Wales East
Janice Gregory	Ogmore
Brian Hancock	Islwyn

Pauline Jarman	South Wales Central
Jenny Randerson	Cardiff Central
Owen John Thomas	South Wales Central

In attendance:

John Taylor	South East Wales Economic Forum
Sheila Davies	South East Wales Economic Forum
Alan Wells	Director, The Basic Skills Agency
Rhiannedd Pratley	Senior Development Officer, The Basic Skills Agency
Carey Lewis	Federation of Small Businesses Wales
Jeff Evans	Wales TUC Cymru
Clare Jenkins	Wales TUC Cymru

Secretariat:

Martin Stevenson	Clerk
Phil Mulraney	Deputy Clerk

Apologies for absence

1. Apologies for absence were received from Rosemary Butler, Alun Cairns, David Davies, Ron Davies, William Graham, John Griffiths, Jane Hutt, Peter Law, Huw Lewis, Dai Lloyd, David Melding, Jonathan Morgan, Rhodri Morgan, Lynne Neagle and Phil Williams.

Opening remarks

2. The Chair welcomed Members to Rhondda and thanked Rhondda Cynon Taff County Borough Council for the use of their facilities. He said that education and training was at the top of the Assembly's agenda, and that the injection of European funding over the next few years made investment in knowledge and skills more important than ever. There was a particular need to tackle poor adult basic skills, as about 30 per cent of adults had poor literacy and numeracy skills. This was one of the major causes of unemployment, low pay and other forms of economic and social disadvantage.

Minutes of the meeting held on 10 March: SEWR-02-00 (min)

3. It was noted that Phil Williams represented the South Wales East rather than the South Wales West electoral region. Otherwise the minutes of the meeting held on 10 March were approved.

Post-16 education and training: Papers from the South East Wales Economic Forum and the Basic Skills Agency: SEWR-03-00 (p.1) and SEWR-03-00 (p.2)

4. Sheila Davies explained the composition of the South East Wales Economic Forum and set out the Forum's vision of making lifelong learning a reality for all citizens in the region. She said that the Forum's view was that long-term success would be characterised by: a world-class competitive workforce; entrepreneurial skills and innovation; individuals taking responsibility for their own personal development; the social exclusion agenda being met within a work context; and lifelong learning becoming a reality.

5. Sheila Davies said that Cardiff dominated the regional economy, with the labour market characterised by a flow of labour from the north to the south of the region. There were also marked variations in the composition of local economies, with the manufacturing sector far less significant in Cardiff than in the South Wales Valleys. This made it essential to maintain regional coherence for skills development.

6. John Taylor reported that the Forum had published an 'Action Plan for Skills' in June 1999. The action plan had been built on regional economic and labour market analyses stemming primarily from the Future Skills Wales project. It identified a range of principles for taking matters forward in addition to the need to maintain regional coherence. The driving force of the action plan was that economic growth should drive skills planning.

7. John Taylor said that it was necessary to tackle poor basic skills in adults because some 50 per cent of the labour supply in 2020 had already left full-time education. It was necessary to mainstream the teaching of basic skills to adults, and to target the training on disadvantaged people and communities. Informal learning was often the first step for people who would not normally engage in further education or training. John Taylor emphasised the need to build the

capacity of both local authorities and the voluntary sector to provide informal learning opportunities for people outside the formal learning mechanisms.

8. It would also be necessary to change the culture of learning. John Taylor felt that the University for Industry/ Learndirect initiative would provide many new opportunities to learn through the use of information and communications technology. The Forum had recognised the potential of new technologies for the learning process and had made the development of the University for Industry/ Learndirect initiative a priority. This was a key example of a strategic regional approach towards the creation of a learning society. There was however an issue to be resolved about how the initiative would be taken forward following the winding-up of the Further Education Funding Council and the Training and Enterprise Councils.

9. Introducing the Basic Skills Agency's presentation, Alan Wells emphasised that there was a major problem with poor literacy and numeracy in Wales. Between one-quarter and one-third of adults had poor literacy and numeracy skills, which was significantly worse than in other industrialised countries. However, over half of the adults with poor basic skills were at a level where they could easily make improvements given the right support.

10. The impact of poor basic skills was severe. The cost to industry was substantial, with losses arising from errors, difficulty in giving and receiving instructions accurately and reluctance to take on new working practices. There were also adverse impacts on the community, with people with poor basic skills less likely to get involved in community activities, and on the family, with adults unable to help their children at school. In addition, the impact on the individual was severe, with people with poor basic skills more likely to end up in low-grade work or to become unemployed.

11. Alan Wells said that the Basic Skills Agency had developed a strategy to tackle the problem of basic skills in Wales. This was a 'cradle to grave' approach, as it would take too long to solve the problem in schools alone. Instead the strategy proposed a range of measures aimed at preventing early failure as well as helping young people and adults to catch-up. For adults there was a need to provide more diverse opportunities, both at the workplace and in the community, with informal rather than formal programmes much more likely to succeed. Although it would not be easy, the strategy offered a way of improving basic skills in Wales.

12. The following points were raised in discussion:

- There was considerable concern about the sheer scale of the problem with poor adult basic skills in Wales, particularly in view of the links with poverty and social disadvantage. There was also concern that more than one-third of 11 year olds were starting secondary school with literacy and numeracy skills which were inadequate for the secondary curriculum. It was suggested that the Sure Start programme would lead to improvements in this area.

- Members felt that it was important to consider skills in a regional context and to maintain regional coherence for skills development. This was a reflection of the nature of the labour market in South East Wales, which featured large-scale commuting from the Valleys to work in Cardiff and Newport. There was concern that the proposed role of the regional offices of the National Council for Education and Training Wales and the Community Consortia for Education and Training was unclear.
- Members welcomed the initiative taken by the South East Wales Economic Forum with their 'Action Plan for Skills', which recognised the dramatic changes taking place in the nature of work, with manual skills being removed from jobs and replaced by intellectual skills. However, it was suggested that there was a need to switch from a supply to a demand-led perspective. Alan Wells felt that it would be more appropriate to consider need, as typically the inarticulate did not demand very much. It was necessary to find ways of motivating those with poor basic skills to seek the necessary training.
- It was noted that there were very few training opportunities at work for poorly skilled employees. There was a strong need for high quality workplace-based training, but it was difficult for the further education sector to respond to this need.
- It was felt that there was a need for training providers to develop imaginative, high quality, community-based training in basic skills, and to ensure that the funding mechanisms for the further education sector encouraged rather than inhibited this approach.
- It was suggested that it might be appropriate to involve schools and colleges in a further Committee discussion on post-16 education and training.
- It was also vital to build the capacity of local authorities and the voluntary sector to provide informal learning opportunities in local communities as a first step for those who would not normally engage in further education or training.
- It was suggested that new technology could provide a means of overcoming the stigma attached to training courses in basic literacy and numeracy. For example, there might be scope to link IT skills with literacy and numeracy, or to use computers as a tool to help people to develop their reading and writing skills.
- It was felt that it was important to improve the quality of teaching provision in basic skills, including a need to spread good practice on literacy and numeracy teaching. It was noted that the Basic Skills Agency had proposed a new information and advice service should be established for teachers of basic skills.
- There was support for the Basic Skills Agency's proposal that there should be a new National Literacy Guarantee and a National Numeracy Guarantee for Wales. It was noted that the proposal was that these tests would be taken by all and prove whether someone was literate and numerate. It was felt that these Guarantees could help to secure real improvements in basic skills.
- Members warmly welcomed the availability of local area data on adult basic skills, which could be used to identify local needs. It was noted that the data was available at the ward level as well as by parliamentary constituency. An analysis by age groups was also available. It was suggested that a breakdown by gender would also be useful.
- It was pointed out that the local area data needed to be interpreted carefully, One

example was Cardiff Central, where the data on adult basic skills were skewed by a large student population which was both highly literate and numerate.

- It was noted that data on adults with literacy and numeracy problems was available only for the recent past, so that it was not possible to make long-term comparisons. The Basic Skills Agency now undertook regular surveys which would provide comparative data in future.
- There was concern that the existing national targets for adult functional literacy and numeracy in 2002 were over-ambitious and should be abandoned in favour of more meaningful targets.
- It was suggested that greater efforts should be made to encourage inward investment by high technology firms in the Valleys, as well as encouraging the upskilling of indigenous businesses. It was noted that there was a shortage of suitable land and premises for inward investors in some parts of the Valleys.
- It was felt that there was a general lack of awareness of the educational needs of travellers' children.

13. The Chair thanked the South East Wales Economic Forum and the Basic Skills Agency for their written submissions and presentations.

Post-16 education and training: Papers from the Federation of Small Businesses Wales and the Wales TUC Cymru: SEWR-03-00 (p.3) and SEWR-03-00 (p.4)

14. Introducing the Federation of Small Businesses Wales paper, Carey Lewis emphasised the significance of small businesses in the regional economy. He stressed the need to sustain the manufacturing process and the skills needed for manufacturing, suggesting that there was a need to restore the manufacturing training ethic which was still followed by German companies.

15. Carey Lewis advocated the reinstatement of traditional apprenticeships. He felt that the National Assembly should fund not just the training costs but also the cost to the business of the apprentice, including the related administrative costs. In Wales there was a well documented lack of applicants for apprenticeships, whereas the Irish had more trainees than places to train them. The Federation of Small Businesses Wales advocated the introduction of a single national organisation, modelled on the Irish FÁS, which would arrange for an apprentice to be released for off-the-job training and to receive a training allowance. This would help to ensure that in future school leavers would again compete to become apprentices.

16. Jeff Evans of Wales TUC Cymru set out the TUC's general approach to adult training, which was to make learning a key part of work. Enhanced skills brought employees improved job satisfaction and skills, as well as equipping them to deal with change. The TUC was uniquely placed to inform the training agenda, and it recognised its obligation to respond to the

challenge. There was now a degree of cohesion between the National Assembly, education and training providers, the voluntary sector, employers and employees, who were all working to a common agenda. A quiet revolution was under way, which made the learning society a realisable goal.

17. Clare Jenkins of Wales TUC Cymru said that the impact of poor basic skills was considerable. The jobs that did not require basic skills were disappearing rapidly, and adults with poor basic skills were often in long-term unemployment. Many of those in work had little or no access to basic skills training provision, although there were some examples of good practice. In addition, basic skills training provision was currently organised through the further education sector, which created a barrier to participation for many people. There was a need to develop innovative approaches to workplace training provision, which would attract non-traditional learners. However, successful programmes needed considerable preparation, including time to consider the workforce's learning needs. There was a need for adequate funding for both the development and delivery of these workplace programmes.

18. The following points were raised in discussion:

- There was some support for a revival of old-style manufacturing apprenticeships, and it was felt that there was a need to ensure that there was parity of esteem between engineers and the professions. It was also noted that although the German model had many advantages, there were also disadvantages in that their system was relatively inflexible.
- It was noted that in Germany businesses actually met the cost of apprenticeships. Carey Lewis explained that most small businesses simply did not have the financial strength to train their staff, who in any case would be poached by larger employers as soon as they had completed their training. He argued for a one simple delivery mechanism for training based on the Irish FÁS model.
- Members felt that there was a need to ensure that, in addition to workplace training, some of the basic skills training provision was directed at supporting local communities.
- There was a need to ensure that training provided people with certain generic skills rather than the ability to do a particular job. The latter approach was simply no longer appropriate with the rapid pace of change of the labour market.
- Members felt that there was a real problem of low motivation for many unemployed young people in deprived areas. In these cases, it was vital for the training providers to consider carefully how best to meet their needs.
- It was felt that the Community Enterprise Schemes which were in operation in the early 1980s had been successful in encouraging people to become self-employed or to establish small businesses. It was suggested that there might be scope to reintroduce similar schemes.
- There was a need to ensure that basic skills training was available to self-employed people.

19. The Chair thanked the Federation of Small Businesses Wales and the Wales TUC Cymru for their written submissions and presentations. He said that the problem of basic skills was a strategic weakness in the regional economy, which posed a real challenge for the National Assembly. With the availability of European Structural Funds to help tackle the problem over the next few years, the overall aim should be to match the success which had been achieved in Ireland.

Open mike session

20. The Chair invited questions from members of the public. He said that he would arrange for each question to be answered in writing by the relevant Assembly Secretary, except in one particular case where there was a specific request for a response from each political party.

21. There was a request that the Assembly Secretary's replies to members of the public should be made available to the Committee.

Date of next meeting

22. The Chair confirmed that the next meeting would be held on 7 July at the Civic Centre in Pontypool. The agenda for the meeting would cover an action strategy for the South Wales Valleys and a presentation by the East Wales Partnership on Objective 2 status for East Wales. It was suggested that consideration should also be given to the implications of Objective 3 status for the region.

Committee Secretariat June 2000