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Pocket Watch – Labour’s Industrial ‘Revolution’

Introduction

Just a week after the Chancellor had made his ‘Northern powerhouse of the economy’ speech, Ed Miliband headed a little further North to welcome the publication of the **Adonis Review**, the year-long Labour Review that has been looking at how best to re-balance growth in the economy while keeping within funding restrictions. The publication was one of a number of set piece Labour ‘strategy’ events during the week starting with a speech on inclusive prosperity by Ed Balls on the Monday and concluding with Ed Miliband’s speech on Thursday also on the theme of inclusive prosperity. Shared prosperity it seems is emerging as Labour’s signature tune for a new industrial strategy and for those working in education and training two drum beats prominent throughout the week are of particular importance, namely skills and localism

What’s Labour been saying on skills?

Labour has already set out its position on skills and training for young people where it has endorsed the proposals for a National Bacc and employer-based apprenticeships set out in three earlier commissioned Reports. The thinking over this week was more about the wider skills picture and what was needed to help drive the economy in the future. A key issue identified in various ways by both Ed Miliband and Ed Balls was what they termed ‘middle-level skills.’ Both championed a fairly familiar set of remedies for this including greater employer say over vocational skills and training, “we will give employers a leading role for the first time in how money for training is spent,” improved apprenticeships, English and maths up to 18, stronger careers advice and youth training but left it to the Adonis Review to add more detail.

On apprenticeships, the Review called for a big increase in young apprenticeships especially in STEM sectors where the number would be trebled by 2020. There would also be a big increase in public sector apprenticeships and funding would be restricted to employer-led sector bodies on the lines of the current trailblazers. More contentiously perhaps, colleges should focus on locally determined technician skill and adult training, 100 UTCs should be created by 2020 and every secondary school should appoint a full-time Director of Enterprise and Employment. No funding suggested for this as in the old TVEI days but potentially a novel way to tackle careers guidance, work experience and LEP engagement, often difficult areas for schools.

And on localism?

Here Labour has already confirmed support for LEPs and for a City Region architecture but both Eds pledged a considerable sum of money to support this, £30bn in all, £20bn or so short of Lord Heseltine’s original Single Growth Fund pitch but a big ask all the same. Some of this, as Lord Adonis explained, would go to LEPs as part of a single pot (the initial figure was £4bn) but collectively it would follow the Heseltine model of devolving responsibility to statutory Combined Authorities in matters like housing, transport, employment and adult skills.

What are Labour’s economic goals?

In his speech, Ed Miliband listed five: restoring trust in our institutions; creating a skilled workforce; implementing a shared prosperity; supporting a culture of long-termism; reform of the financial markets.



Steve Besley

Head of Policy (UK and International)

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Labour’s industrial Strategy July 2014