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DEPARTMENT OF EDUCATION AND SCIENCE

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FROM THE SECRETARY OF STATE

26 February 1985

See Sand,

Wopm DMS 2/2

"SWITCH TO ENGINEERING AND TECHNOLOGY"

Thank you for your letter of 5 February. I have been most grateful for your support in our discussions over how to improve the output of good-quality engineering and technology graduates. But neither of the suggestions which you make (in the second and third paragraphs of your letter) is without its difficulties.

Saving money in the local authority sector of higher education is at first sight attractive. But you will know of the established reluctance to allow such apparent savings to be spent elsewhere: the Treasury continues to ring-fence local authority expenditure, and there are good grounds for doing this. Besides, savings from a reduction of relatively cheap arts provision in the cheaper local authority sector would produce rather few engineering and technology places in the universities: the ratio is getting on for 1:4.

There is also the substantive question of how much one could soundly set out to reduce expenditure on local authority higher education. The arts and social studies component of the public sector (local authority and voluntary sectors combined) is only some 43,000 full-time and sandwich places in total. I am already planning on the advice of the NAB to reduce this provision by 12% or so to 38,000 in 1985-86. Some of this provision inter-relates with that for initial teacher training, and some will continue to be important to the availability of higher education for students with modest entry qualifications in arts subjects: this applies especially to women. We are sending them a signal through the Switch, but in the interim we have a disproportionate number of

/them not

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them not qualified to take up technological places. I have, as you know, already secured a significant shift in the public sector towards engineering, science and business studies, and have called for some further movement. But we may be near the limits of what can reasonably be done. Certainly any further strong push would encounter great resistance from those constituted to advise me, ie the National Advisory Body for Public Sector Higher Education.

Again, we can hardly expect to maintain something like the number of arts and social studies places I have quoted but cut the related teaching staff. Within overall student:staff ratios (SSRs) moving to 12:1, the position in these subjects will have to be about 15:1. We are already calling for some 2,000 lecturers to be made redundant, and moreover of course this process has its costs.

I turn to what you say about conversion courses. Some degree courses can be tackled only by students with good A-levels in maths and physics - even other science combinations are not acceptable. These include subjects at the hard end of information technology, such as electronic engineering. More generally, it is true, the pattern of work within many degree courses includes bringing students up to a common level of necessary competence. But, if some are too far on entry from that level, students cannot catch up without extra time, and the teaching costs are very high. It is far more economical in such cases for the "conversion" process to go on in further education colleges. In the longer term, the aim must be to have students coming out of school not needing as much, or any, of this sort of treatment. Much of what I am trying to get achieved in the schools system is relevant to this.

I am copying this letter to the Prime Minister, the Chancellor of the Exchequer, the Secretaries of State for Employment, Trade and Industry, Scotland and Wales, the Chief Secretary, the Chancellor of the Duchy of Lancaster, Sir Robin Nicholson and the Secretary of the Cabinet.

Erwin
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