



Universities Scotland submission to *My Scottish Affairs* inquiry by the Scottish Affairs Committee

October 2017

As the representative body of Scotland's 19 higher education institutions, Universities Scotland welcomes the opportunity to participate in the Scottish Affairs Committee's *My Scottish Affairs* inquiry.

In the last session of Parliament we engaged constructively with the committee on numerous occasions. We wish to continue this strong relationship.

We have responded to the call for evidence with three key themes we believe the committee should give consideration to:

- The UK Government and Scottish Government relationship to promote research and innovation
- A Brexit that works for Scotland
- Wider international relations that work for Scotland

The UK Government and Scottish Government relationship to promote research and innovation

Industrial Strategy

The Industrial Strategy represents a huge opportunity for Scotland and its announcement was welcomed warmly by the Scottish Higher Education sector. Scotland's Higher Education Institutions (HEIs) are committed to making our contribution to productivity and economic growth.

In order to maximise the benefits for Scotland in the Industrial Strategy it requires both the UK Government and the Scottish Government to work co-operatively. We see a role for the Scottish Affairs Committee is ensuring this happens.

In our response to the Industrial Strategy green paper in April 2017 we made a number of recommendations for the UK Government and the Scottish Government. In particular we highlighted the need for the UK Government to be clear which activities are intended to be UK-wide or devolved. This clarity would enable devolved administrations to shape and engage with opportunities and use the proposed Ministerial Forum to co-ordinate action.

The Industrial Strategy complements the current Scottish Government policy priorities (Enterprise and Skills Review, Trade and Investment Strategy, and sector-specific strategies). There is a real opportunity to realise synergies to improve productivity and inclusive growth in Scotland. We would strongly support the Scottish Government's engagement with the proposed Ministerial Forum to maximise opportunities for economic growth in Scotland.

We believe that the Scottish Affairs Committee could play a role in ensuring that Scotland maximises the opportunities afforded by the Industrial Strategy. Specifically we would like the Committee to ensure that the challenge funds under the Industrial Strategy are run in a way that enables Scottish industrial and university strengths to compete successfully. The Committee should also ensure that there is a process for assessing bids that involve the devolved jurisdictions and bring benefit to all parts of the UK.

UKRI

In the last session of Parliament, Universities Scotland dedicated time to the Higher Education and Research Bill. Part of our concern about the Bill at that stage was the relationship UKRI would have with devolved jurisdictions. We said that:

- Embedding Research England within UKRI could favour the investment needs of England above other parts of the UK;
- The Scottish Government, as a major research funder, should be involved in the development of UKRI's strategy; and
- The economic policies of the devolved administrations as well as the UK Government should inform the strategy of Innovate UK

We outlined over the course of the Bill's passage that despite many of the individuals involved in the creation of UKRI offering personal assurances that the organisation will operate in a manner that supports the UK-wide research and innovation ecosystem, we wanted to see structural protection of UKRI's duty and capacity to act in the interests of the whole UK. We wanted to see this embedded into the governance of UKRI rather than relying on the goodwill of future Ministers and UKRI leaders.

As we look towards the UKRI's launch on 1 April 2018, we would like to see delivery of the commitments made by the UK Government during the passage of the Bill: development of a Memorandum of Understanding with the devolved administrations and further detail on how the devolved administrations will be consulted about UKRI strategy as per Lord Prior's assurances during the final stages of the legislation's Parliamentary passage in March 2017.

A Brexit that works for Scotland

Universities Scotland has been clear since the referendum result that Brexit has the potential to dramatically alter how higher education institutions in Scotland operate. Higher education is substantially devolved to Scotland; but many of the core issues to be negotiated by the UK Government as the UK leaves the EU remain reserved to Westminster.

Universities Scotland would like to see the Committee evaluate how successfully Scottish interests are being prioritised in the Brexit negotiation. The Committee could use the evidence submitted as part of their Scotland's place in Europe inquiry in 2016 as the basis for their evaluation.

To reiterate, our Brexit priorities are:

- To maintain the closest possible relationship with our European neighbours.
- To secure urgent confirmation on the immigration status of our existing community of over EU students and staff after the UK exits the EU. We see no reason this should wait until negotiations.

- To develop options for the mobility of EU and non-EU talent to continue after Brexit. This applies to staff and students and refers to inward/outward mobility.
- To remain part of the European Research Area and its constituent programmes for research and innovation (including structural funds) through a bespoke arrangement. Access to the networks and collaborations offered by the EU is as important as access to funding.
- To secure continued access, on current terms, to Horizon 2020 until the end of the programme.
- To continue the UK's influence of the strategic direction that informs EU research grants. This is in the UK's best interests.
- To ensure the needs of UK research and Higher Education are fully taken into account in exit negotiations.

Wider international relations that work for Scotland

Immigration

Universities Scotland has welcomed the recent softening of language from Home Office Ministers on immigration. Also welcome was the Migration Advisory Committee's (MAC) inquiry into the economic and social impacts of international students. We will work closely with MAC to ensure Scotland's voice is heard. We have been making the case since the Smith Commission that a regional approach to immigration was both workable and desirable.

At the present, the Scottish Government's Culture, Tourism, Europe and External Relations Committee is conducting an inquiry into Immigration. The findings of the inquiry may be of interest to the Committee.

The Culture, Tourism, Europe and External Relations Committee also commissioned a paper by Dr. Eve Hepburn on *Options for Differentiating the UK's Immigration System*. Universities Scotland found her evidence compelling and would support moves that would allow Scottish HEIs to attract more international students.

We remain steadfast in the belief that the UK Government should introduce a new post-study work visa in Scotland to allow qualified international graduates from further and higher education to stay in Scotland to work and contribute to the economy.

The detail of that policy should enable Scotland to be competitive with universities in the US, Canada, New Zealand, Australia and Ireland. Scotland attracts 31,000 students from outside the European Union to study in its universities, generating significant economic and cultural benefits for Scotland. Yet most of this highly skilled and young demographic is forced to return home before joining Scotland's workforce meaning Scotland's business sector and public services lose out on talent as a result. Public opinion in Scotland supports a policy change. A recent poll found 83% of Scots support the idea that international students should remain in Scotland to work for a period after they graduate rather than immediately returning to their home country. 67% of Scots think the economic impact of international students helps to create jobs.¹

¹ <http://www.universities-scotland.ac.uk/83-scots-say-better-international-students-work-uk-graduate-rather-return-home-country/>

Universities Scotland would like to see the Scottish Affairs Committee continue to make the argument for a more nuanced immigration system that recognises the needs of different parts of the country.

Promotion of Scotland abroad

The Scottish Affairs may want to consider a short inquiry into the promotion of Scotland overseas. From the perspective of Universities Scotland, we are comfortable with the dual approach of working under the GREAT campaign as well as activity arranged by the Scottish Government, such as a new initiative to be unveiled shortly, as the current messaging works for the aims of the sector and our members.

We believe there is scope for the Scottish Affairs Committee to investigate the effectiveness of these dual approaches and invite comparisons of how the Scottish approach compares with other devolved nations and regions around the world.

ENDS

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