

Scotland has fewer student start-ups

New figures from the Higher Education Statistics Authority (HESA) have shown that Scotland has a poor record of supporting graduates in setting up and starting companies. Despite a large improvement from last year in the number of graduate start-up companies, Scotland still lags behind England, and especially Wales, both in terms of the number of graduate companies and employment from graduate companies.

If Scotland matched rates of graduate start-ups seen in Wales, there would be almost 1200 additional jobs per year, and 450 extra companies operating in Scotland.

Low rates of student support, and the high levels of commercial debt that follow, could be holding Scottish students back from setting up their own companies or social enterprises after graduation. It is also asking the government to consider introducing new qualifications, or a diploma, that would reward students academically for using their undergraduate studies to benefit local communities, public sector and business .

Liam Burns, President of NUS Scotland, said:-“Students often tell us that taking what is a massive leap of faith to start up their own company is just too risky when they have been forced into dangerous levels of commercial debt throughout their degree. We know that almost half of Scottish students have to take on commercial debt to get through their course, and paying this back is likely to be much more a priority than taking the risk of setting up your own business when it comes to graduation. If we want to be comparable with the rest of the UK when it comes to graduates creating their own start-up companies. then the amount of money students have in their pocket has to increase.

“Our lower rates of graduate start-ups mean we’re missing out on vital jobs and new companies that could be helping to reduce unemployment now and boost Scotland’s economy in the long run. With aspirations for Scotland to be world-leading in renewable energy technology and solutions, supporting today’s students financially to become the graduates of tomorrow that deliver on that aspiration is vital.”

Liam Burns added:-“Every year, hundreds of thousands of third and fourth-year students undertake research and dissertations. It could be incredibly exciting to encourage and recognise academically, if not financially, those students who focus their research onto helping community organisations at home and abroad, social enterprises, local authorities or building Scotland’s economy. It’s about time we take seriously the talent our undergraduates have through a ‘Knowledge Transfer Diploma.’

“Over 85% of the MSPs in the new Scottish Parliament signed a commitment to boost student support through our Reclaim Your Voice campaign. We now must turn these warm words into urgent action. Increasing student support would be the right thing to do in terms of making education genuinely based on ability to learn, and not ability to pay. However, it will also boost our economy and provide jobs in the short and long-term.”