

Consultation on Statement of Strategy for Education & Skills 2016-2018

Joint Submission on Higher Education Funding- USI, IFUT, IMPACT, SIPTU, TUI

The Case for Public Funding

The five unions involved in this submission representing students, academic and non-academic staff are united in the belief that not only is fully publicly funded higher education desirable, it is achievable if the political will which is required exists. We are committed to working together to advocate and campaign on the need for significant public investment in higher education.

We believe that Higher Education is predominantly a public good, and our ambition should be to ensure equality of opportunity to all who wish to access it.

We would like to draw the Minister's attention to the attached 2014 report by the Nevin Economic Research Institute- 'We Need to Talk about Higher Education'- which examines the public value of higher education and reviews the evidence on funding across OECD countries.

It is clear that far from being a radical idea, higher education systems mostly funded from public sources are the norm, while fully-free public education exists in many strong and competitive economies, such as the Nordics, Germany and Scotland.

This paper concludes that a publicly funded system is the preferred option which can safeguard the contribution of Higher Education to economic development and social mobility/cohesion and, at the same time, avoid escalating costs and long-term personal debt for graduates.

This could be achieved through gradual increases in public investment, as well as an increased contribution by employers either through a ring-fenced increase in the training fund levy or another mechanism. Given that Irish levels of employer's social insurance are amongst the lowest in the OECD, we see this as being entirely necessary and appropriate.

Current Issues

Far from being an acceptable outcome, continuing with the status quo without a clear investment strategy to address the funding challenge would be a disastrous one.

Some of the issues currently being faced by our members as a result of Budgetary cutbacks and underinvestment are as follows-

- **Access & Affordability:** Many students struggle to meet the current fee level of €3,000, while the gap between the current level of the student maintenance grant and the real cost of going to college has continued to widen. According to the Irish League of Credit Unions study last year, 59% of parents are getting into debt on average of over €5,000 through private borrowing to cover the spiralling costs of going to college.

- Casualisation of Staff: The increased prevalence of precarious employment in Higher Education causes not only hardship to the insecure employees themselves but it also threatens the quality of education and research in the sector.
- Demographic Demand Pressures: While public funding has been reduced consistently in recent years, student numbers have increased significantly due to demographic demand pressures which are expected to continue into the future. This has led to a dramatic fall in the amount of resources per student which is being provided.
- Postgraduate Funding: The regressive decision in Budget 2014 to effectively remove all postgraduate maintenance support has created a social inequity for those wishing to access postgraduate study. This needs to be reversed immediately.
- Quality Risks: During the austerity years, funding for Higher Education was cut by up to 35%, student numbers increased by 20% and academic staff numbers reduced by 10%. The current student to teaching staff ratio is 23:1, well above the OECD average of 16:1. The quality of provision of teaching and research is at crisis point.

A recent QQI report notes quality has been maintained only by the commitment and good will of academic staff. The reality of funding cuts is apparent in Dundalk IT and GMIT which are now considering closing programmes and reducing staffing levels.

- Services and Supports: The lack of funding has impacted on the delivery of services to students and will inevitably affect the quality of education delivery and supports to students. The most vulnerable of students are those struggling to remain in college because they require additional supports.

A new report published by the European Trade Union Committee for Education (ETUCE) suggests that education funding cuts here are a local rather than European phenomenon.

The report “The state of funding in education, teachers’ working conditions, social dialogue and trade union rights in Western European countries (2016)”, points to ‘a persistent negative investment trend since 2010’ and warns that this is not due to ‘cuts spread across Europe’ but is ‘mainly found in the same group of countries,’ including Ireland. The report refers to ‘slightly increased’ education funding in a number of European countries as we come out of recession, but Ireland is not listed among them.

There is a clear need for significant and sustained investment in the system, in order to maintain, protect and enhance quality, meet demographic demand, and address issues regarding student access and affordability. This will require a significant increase in current spending on higher education, as well as an increase in the resource allocation to HE under the Capital Investment Plan.

Fees & Loans

At €3,000, Ireland already charges the 2nd highest rate of fees among EU countries in the OECD, to those who do not qualify for a fee waiver through the maintenance grant scheme.

We are vehemently opposed to the imposition of a further burden on students and families, whether this is through direct increases in upfront fees or the introduction of a deferred payment scheme such as the income contingent loan model which has been widely reported in the media.

Based on the experiences of similar schemes which have been introduced in the UK and elsewhere, we have a large number of concerns as to the impact of an income contingent loan scheme in an Irish context.

This includes the aversion to debt of students from lower socio-economic backgrounds, potential impacts on outward migration, inter-generational fairness, the extremely high level of personal and household indebtedness in Ireland (3rd in EU), and increased upfront costs and longer-term risks for our public finances. It also raises fears of potential future fee increases and/or caps in student numbers.

Expert Group Report

The Cassells Group's report on the future funding of higher education must be published as a matter of urgency, in order to enable the proper examination of the report's findings and recommendations by stakeholders inside and outside the sector, and so that a robust public and political debate on these challenges can take place.

Following this, we would welcome the opportunity to prepare a detailed submission in response to the contents of the report, and how we believe the quantum of funding which is identified can be resourced through a comprehensive public investment strategy.

Future Engagement

We urgently need the Minister to act as a strong advocate for an Irish Higher Education sector which has endured a prolonged period of underinvestment. We are hopeful that given the Minister's previous experience at the Department of Jobs, Enterprise and Innovation, that he will recognise the fundamental importance of higher education to our future economic development.

A step change in thinking and approach is required away from viewing HE as a mere line item of spending, to that of public investment which yields a guaranteed long-term return. If we want a truly world-class higher education system so that our highly-skilled workforce and 'knowledge economy' continues to be a strength for this country, then we need to invest heavily.

We look forward to engaging on this matter with the Minister and the relevant cross-party Oireachtas Committee who will have responsibility for outlining a proposed funding plan for the sector, as set out in the Programme for Government.

This joint submission was prepared and agreed by the following trade unions and representative bodies-

Union of Students in Ireland (USI)

Irish Federation of University Teachers (IFUT)

IMPACT

SIPTU

Teachers Union of Ireland (TUI)