



Submission to Consultation on HEA National Access Plan 2022-2026

Irish Congress of Trade Unions
Education Sector Group

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This submission is made on behalf of the Education Sector Group of the Irish Congress of Trade Unions (ICTU), comprising affiliated across all levels of the education sector: the INTO, ASTI, TUI, IFUT, Forasa, SIPTU and Unite.

The Congress Group also fully endorses and supports separate submissions to the consultation process from affiliate unions.

Embedded Inequality

Education is perhaps the single most powerful tool that we possess to combat inequality and lack of opportunity.

Therefore, if education systems have an inbuilt bias towards the more affluent, then existing levels of inequality are exacerbated and reinforced.

In effect, we punish people for where they are born.

In 2019, the Oireachtas Joint Committee on Education and Skills held a series of hearings and invited submissions on inequality and disadvantage in the education system.¹

The Committee's conclusions were stark, describing the system as "unfair and unequal", leading to a situation where "young people...from less affluent backgrounds are destined to struggle and lack access to opportunities and outcomes that are freely available to those from more affluent communities."

The Committee noted that ongoing wealth and income inequality was "legitimised through the ideologies of meritocracy" and reproducing social class-related inequality.

"Equalising opportunity is inadequate and has not worked; we need to move to an approach that equalises the conditions in which our children are living and growing."

These disparities are often thrown into sharp relief at Third Level which can have a determining role in respect of career and future income levels.

Thus, a study from the Higher Education Authority (HEA) revealed how "children from affluent areas are 10 times more likely to score high CAO points and have their pick of prestigious third-level courses."²

It showed how over 36% of enrolments to study medicine in 2017/18 were from affluent areas, while just 3.5% were from areas considered poorer or disadvantaged.

Students from affluent areas "dominated the high leaving cert/CAO points bands" with students from the 16% most affluent areas accounting for those achieving 555-600 points and 26% of those with 505-555 points."

¹ Joint Committee on Education and Skills Report on Education Inequality & Disadvantage and Barriers to Education, May 2019

² Irish Independent, Sept 9, 2019

This compared with just 3% of students from disadvantaged areas achieving the high score.

The class structure in Irish society is thereby replicated within all social institutions, as highlighted by a 2018 UNICEF report that showed how teenage (15 years) children of lower-income parents harboured little or no ambition to attend third level.³

In that context the role of education as a 'leveller' becomes essential in the battle to improve access and increase level of equality across all sectors of society.

Therefore, the new National Access Plan must prioritise the targeting and overcoming the barriers to progress faced by more disadvantaged students, be they financial, educational or socio-economic.

In addition, while the remit of the HEA may be limited, the new access plan cannot ignore key obstacles that often impact on students capacity to reach their potential and access higher education

These include the excessive and unaffordable cost of housing which can result in students at all levels being forced out of education due to homeless, evictions, time in emergency accommodation or the need to secure new housing.

In addition, low pay and precarious work can adversely family life and educational prospects.

The Benefits of Higher Education

There is a broad social and political consensus on the value that higher education delivers to society and the wider economy.

As Professor Tom Collins has pointed out: "Investment in higher education pays off in a multitude of ways: increasing employment prospects; enhancing learning potential; better health and life expectancy and improve educational prospects for children."⁴

"The returns on investment are not, therefore, purely private, they are also public, political and social."

On a similar note, the European Commission has highlighted the necessity of "higher education systems in Europe in responding to the needs of our increasingly knowledge-based economies and societies."⁵

The Commission notes that to "expand the knowledge base and foster progress, an increasing number of European citizens require high levels of knowledge and competence."

One of the key challenges is to ensure "that students have the necessary material conditions to study and fulfil their potential."

³ UNICEF Report Card, October 2018

⁴ Irish Times Op Ed, May 10 2017

⁵ Eu Commission National Student Fees and Support Systems, November 2018

More significant are the conclusions of the Organisation for Economic Cooperation and Development (OECD) in respect of the wider social and civil benefits of education and, in particular, higher education.⁶

The OECD points out that all available evidence reveals how “education not only enables individuals to perform better in the labour market, but also helps to improve their overall health, promote active citizenship and contain violence.”

“Education can bring significant benefits to society, not only through higher employment opportunities and income but also via enhanced skills, improved social status and access to networks. By fully recognising the power of education, policy makers could better address diverse societal challenges.”

In addition, it encourages and enhances civic engagement, the OECD says.

“Data show that adults who have attained higher levels of education are generally more likely than those with lower levels of educational attainment to report stronger civic engagement, in terms of voting, volunteering, political interest, and interpersonal trust.”

A 2010 OECD report found that “education has been shown to be a relatively cost-effective means of improving health and reducing crime.....Hence education policy can be a viable health policy.”⁷

More recently, the OECD has highlighted the critical role higher education can play in responding to the many challenges we face, both nationally and globally.

“As countries struggle to respond to economic, environmental and social transformations – including technological advances, climate change and migration – intellectual capital has become the most valuable asset of our time. The core of intellectual capital is knowledge and the development and transfer of knowledge is the primary mission of higher education.”⁸

It also encompasses a wider agenda in respect of development at a global level, with the OECD specifically pointing to the United Nations’ Sustainable Development Goals - in particular Goal 4 - which stresses the “importance of equal access to quality education and lifelong learning opportunities.”

The OECD notes how SDG 4 “defines learning as a process that starts at birth and continues throughout all stages of life...”

In addition: “SDG 4 and its associated targets set an ambitious agenda that encompasses quality learning and equity in education, alongside the more traditional indicators of access and participation..”

“As the SDG agenda confirms, education is also key in ensuring that youth become engaged citizens and participate in society.”

⁶ Economic Indicators in Focus, OECD 2013

⁷ OECD: Improving Health and Social Cohesion Through Education, 2010)

⁸ *OECD Education at a Glance, OECD 2019*

This requires a broad, holistic and non-utilitarian approach to education at all levels to ensure the promotion of sustainable development, through education for sustainable lifestyles, education for human rights, gender equality, a culture of non-violence, global citizenship and appreciation of cultural diversity and the positive role of culture generally.

Indeed, the role of education and particularly that of Third Level in fostering new models of development was also a theme also picked up by President Higgins, in an address delivered in November 2019:

“How much better it would be if the necessary elements of what constituted social cohesion formed the basis of the discourse that prevailed on the streets of the world, rather than the excluded being left abandoned to become the prey of xenophobes, homophobes and racists.

“In an attempt to offer a positive contribution, I suggest that all of the prevailing ruling concepts in our present economic discourse – flexibility, globalisation, productivity, innovation, social protection, decent work, indeed economic growth itself – are capable of being re-defined within an active state context, given a shared moral resonance, made useful within the context of the new ecological-social paradigm.

“This suggests a new, recovered political economy, and I have called for some years now on third-level institutions, both in Ireland and abroad, to allow it to be taught and thus for it to be available to inform policy.”

Fall in Funding Undermines Access

Without adequate funding, ensuring equality of access becomes deeply problematic for the further and higher education system.

Between 2012 and 2016, total state funding for higher education in Ireland fell by almost 15%, from about €2.3 billion to less than €2 billion in constant 2016 euro.

This trend is even more drastic when scaled to the student population. While aggregate funding decreased, enrolment numbers in higher education continued to rise after 2012, with full and part-time enrolments in publicly aided institutions increasing by nearly 13 and 19% respectively by 2016.⁹

The result was a significant fall in public funding per student in third level. In 2016 ‘euro terms’, public funding per student was nearly a quarter below 2012 levels (from €12,565 to €9,700).

Indeed, spending levels were 3% lower in 2015 than they were in 2005. By contrast, the decade to 2015 saw spending on higher education grow by nearly 28% across the EU 22, according to the OECD.

In 2016, price adjusted public funding per pupil at tertiary level was only 61.2% of the comparator average. Reaching that comparator average would have implied an additional allocation of close to €1.3 billion.

⁹ Measuring Ireland’s Progress 2017, CSO, 2019

This was the same year in which the report of the *Expert Group on Future Funding for Higher Education* - the Cassells report - recommended substantial increases to investment in higher education in the form of increased core funding, a capital investment programme and additional student support to 2030.

In terms of core funding – mainly grants and fees - the report called for an additional spend of €1 billion euro by 2030, most of which (€600 million) would be front-loaded by 2021.¹⁰

However, the recommendations around core funding were premised on moving towards a staffing ratio of 14:1 - in line with the best performing states - by 2030.

Data from the OECD indicates that student-staff ratios are at 20:1 – showing no real change relative to 2015 data that the report is based on.¹¹

This remains amongst the worst student-staff ratio in the OECD.¹²

We also note that the €600 million in resources recommended by the Expert Group report as necessary front loaded spending reflects 2016 prices. Inflation would place upward pressure on these estimates.

The Cassells report has been referred to the European Commission for an economic evaluation, the results of which are still awaited.

In a recent study, the Dail's Parliamentary Budget Office (PBO) also highlighted the funding strain on the third level.¹³

It noted that “the sector has come under significant financial pressure in recent years, due to a combination of factors, including significant reductions in funding and resources made during the financial crisis, and growing student numbers.

“Across all Higher Education Authority (HEA) funded institutions, the PBO estimates that funding per undergraduate student (full-time, part-time, remote and FETAC) enrolled in 2019 was 50% less than in 2008.”

Overall, since 2008 the sector has seen an 81% increase in total student numbers, including a 50% increase in undergraduate numbers alone.

This has compounded a sense of frustration in the third level sector, which was evident in the Higher Education Authority (HEA) Strategic Plan for 2018-2022.¹⁴

¹⁰ Investing in national ambition: A strategy for funding higher education. Report of The expert group on future funding for higher education

¹¹ OECD statistics

¹² Education at a glance 2019 OECD indicators: A country profile for Ireland

¹³ Parliamentary Budget Office: An Overview of Tertiary Education Funding in Ireland, 2019

¹⁴ HEA Strategic Plan, 2018-2020

The HEA outlined the many milestones and key achievements of the sector, in terms of increased enrolment, high levels of student satisfaction with their 'educational experience' and the ongoing success of research.

But this masked a deep and growing problem.

"Outwardly the system may appear to be resilient in the face of the resourcing constraints being faced, however inwardly institutions are making tough decisions on priorities and there is a fear that the system may be taking on more risk than is desirable."

"The stability of the (third level) institutions matters for the success of a range of government policies. The vision for the National Strategy for Higher Education to 2030 places the sector at the heart of Ireland's development; economically, culturally and societally.

"Its role in the development, attraction and retention of talent will be pivotal. A stable, sustainable higher education system is key to tackling challenges and to forging exciting new opportunities for this country."

It is also a fundamental prerequisite of ensuring greater equality of access.

Greater Role of Private Funding

The vacuum left by public funding has increasingly been filled by finance from private sources, a trend that has serious implications for the independence of the sector and its capacity to ensure equality of access.

In fact, despite the public status of the further and higher education sector less than 50% of university funding comes from the exchequer – with more than 50% coming from 'market transactions' and private sources.

Additional sources of private funding are from investments, donations, endowments and research grants. However, the overall picture is muddled somewhat by the fact that the CSO classifies all fee income – exchequer and non exchequer – as 'market transactions' as they constitute a fee for sale of services.

This 'creeping privatisation' is a source of deep concern for supporters of the public education model, not least unions representing staff in the sector.

But as matters stand, it appears that this worrying trend is effectively encouraged and facilitated by official policy – at both national and EU level.

Thus, the fact that over 50% of university funding derives from private sources means the institutions are classified as 'market producers' and *off-balance sheet*, as far as government expenditure is concerned.

This does not apply to the IoT sector, with the institutes classified as non-market agencies whose financing is *on balance sheet*.

The *off-balance sheet* classification also means that universities are free to borrow privately.

Overall, this acts as a perverse incentive for the sector to increase the level of private funding it receives, while the government also has an interest in at least maintaining the status quo.

However that freedom comes at a price. Thus, the Irish Universities Association reported in 2019 that private borrowing by the seven universities was close to €800 million. It forecasted that by 2022 annual repayments would total some €43 million, with interest costs at €24 million.¹⁵

Prohibitive Costs

The impact of a prolonged period of underfunding is felt at many levels across the sector.

But it has had a significantly negative impact on the cost of attending further and higher education and is therefore highly damaging to prospects of improving access.

According to the European Commission, third level student fees in Ireland are the second highest in the EU, with the UK sitting atop that unfortunate table

Across the EU, a total of 11 states charge no fees to first time undergraduates, while a further 14 others charge fees at a far lower rate than here (For example: France €184; Austria €725).

Countries such as Poland, Spain and Italy may charge fees of between €1000-€2000 per annum.

Here, the ‘Student Contribution Charge’ – the official nomenclature for fees – has more than doubled over the last six years, according to USI.¹⁶

The student body points out: “The Student Contribution Charge is the second highest expense for students and their families after accommodation, for those living away from home, and the highest for those living at home.

“Higher education is a public good and should be viewed as an investment rather than a cost.”

The USI charge that “the higher education sector has seen a managed decline in funding over the past decade and struggled to maintain high standards.”

Indeed, such is the cost burden that higher education imposes on families that a 2018 survey conducted by the Irish League of Credit Unions found that 48% of parents who fund their child’s third level education were forced to cut essential spending, in order to meet the cost.

¹⁵ IUA Pre Budget Submission, 2019

¹⁶ USI Pre Budget Submission, Budget 2020

In addition, the survey revealed that one in ten parents fully expected their child's third level education would cause the family to go into debt, with the average expected debt at €2,425 per child, per year.

As a result, the number of families approaching moneylenders had increased.

Not only were families incurring debt to secure a third level education for their children, the very existence of fees also served as an obstacle to those who wishing to participate in tertiary education.

As noted previously by the EU Commission: "Fees and (financial) play a role in supporting or discouraging access to higher education and can also have an impact on progression and completion rates."

Accommodation costs have also become an increasingly problematic for students, as the ongoing housing crisis continues to bite.

Thus rents have doubled over recent years, as have house prices, with the highest increases seen in major urban areas where third level institutes are concentrated.

While recent years have seen an increase in Purpose Built Student Accommodation (PBSA), this has simply served to inflate housing costs for students, as the state has seen fit to outsource this key element of education infrastructure to the private sector.

According to USI, "we have witnessed an increase in supply but the supply comes at a huge cost to the student, making these builds, and in turn higher education itself, inaccessible."

The Investment Imperative

Thus it is clear that improving equality of access to further and higher education is heavily contingent on establishing a secure and sustainable funding model for the sector and removing cost barriers for participants.

It is also essential in terms of delivering greater economic and employment opportunities across a wider cohort.

This can contribute to wider social and economic equality which will, in turn, help improve educational attainment and access at all levels.

A key input into any functioning system of knowledge production and productivity growth, is education. New techniques and technologies come about in a complex exchange between many institutions and actors.

Higher education is a key player within these systems, as both a producer of increased skills and capacities in the population but as a site of research and development itself.

Investment in tertiary education is even more significant where an economy is at the forefront of technological development, and more investment is associated with more growth in these economies.¹⁷

Indeed, the expansion of higher education was a significant contributor to economic development in Ireland.¹⁸

Intensive, innovation driven growth will only grow in significance given the major challenges we face. While Ireland has a relatively young population in a European context, it will almost certainly be affected by the same demographic challenges facing other developed states.

Despite projected increases in labour force participation among some cohorts, there are challenges for any growth model dependent on an expanding working population.

In the absence of a properly funded education system, technological diffusion and adaption will not be sufficient to meet this challenge.

Similarly, automation constitutes a significant change to the economy in a number of respects. The risk automation poses to jobs varies widely according to the type of job and the nature of the tasks it incorporates.¹⁹

This is related to the skills profile of different jobs. Given sufficient protections in line with the principles of Just Transition, this can be beneficial for workers.

Continuous lifelong education will be essential to ensure that workers in at risk sectors are supported in their transition to new tasks and/or new forms of employment.

This will imply a more significant role for further and higher education and a commensurate increase in government support to manage any transition fairly.²⁰

Finally, and perhaps most immediately, the world faces the danger of climate breakdown.

Limiting environmental damage will require a significant change in the functioning of our economy.

This will require new knowledge and expertise to address the issue technologically. Institutions of higher education are essential in that respect.

¹⁷ Exploiting States' Mistakes to Identify the Causal Impact of Higher Education on Growth (Aghion, Boustan, Hoxby and Vandenbussche, 2005)

¹⁸ We need to talk about Higher Education (Delaney and Healy, 2014)

¹⁹ The Future Of Work: The Impact Of Automation Technologies For Employment In Northern Ireland (Foster and Wilson, 2019)

²⁰ Education and employment and the response to automation (Talwar, Wells, Whittington, Koury and Calle, 2018)

If this process is underpinned by the principles and practice of Just Transition, then it has the capacity to deliver more sustainable, resilient communities and more equal societies.²¹

A Just Transition also has implications for skills needs across the economy and its success depends heavily on the availability of suitably skilled workers.

This supply will also likely facilitate the advance of needed technologies in its own right as the presence of skills encourages additional activity in green sectors and the spread of environmental knowledge encourages expansive take up of green alternatives.²²

This implies a key role for higher education in green technology production, requisite skills training for the future workforce and a fair transition for those currently at work.

According to NERI, there is an urgent need to refocus on skills and learning in order to build capacity to meet these coming challenges: “Worryingly, Ireland has relatively low rates of in-job training and cutbacks to education at third level are unwise in the face of a changing skills environment. Lower investment levels in these areas will have a negative impact on long-term growth and Irish living standards.”

In that context, we must also look at the critical role and contribution of Lifelong Learning and act on dismantling the very real barriers that prevent many from accessing the learning and training they need.

As Aontas - the national adult learning organisation recently pointed out - most of these barriers relate to affordability and cost of living issues and were clearly identified in the 2019 publication from Oireachtas Joint Committee on Education & Skills Report on *Education Inequality & Disadvantage and Barriers to Education (see above)*.

Impact of the Public Health Emergency

There is little doubt but that the Covid 19 pandemic effectively exacerbated existing deficiencies and frailties with the higher education, as it did across wider sections of the economy and society.

The imperative now is to ensure that, as the sector slowly reopens, these deficiencies are addressed and do not become further embedded in the system.

Thus, as affiliate unions have pointed out, this will involve addressing new ways of working that arise in the post-pandemic landscape, by way of dialogue with staff and unions and also the issue of a ‘digital divide’ in terms of access to technology and equipment.

This applies to students at all levels, including those already in Third Level and arises from the need to ensure both equality of access and *equality of conditions* for those students already participating in higher education.

²¹Building a Just Transition: The case of Bord na Móna (ICTU, 2019)

²² Anticipating skill needs for the low carbon economy? Difficult, but not impossible (ILO, 2011)

Such fundamental issues can be more effectively addressed within the context of the evolution of a fully participatory model and a new form of inclusive engagement involving all key stakeholders across the sector, which can in turn contribute to the development of a shared vision for the sector.

In this context we note the September 2020 submission from the Congress Education Sector Group, setting out the need for the establishment of a new Sectoral Forum involving all stakeholders, across further and higher education.²³

This proposal was fully supported by student and employer/ management bodies alike and was also endorsed by the Department.

The Forum must be established without further delay.

Conclusion

Education provision at all levels should be accessible, inclusive, affordable, of high quality and provided as a public service.

Ireland spends less on education than most other comparator countries, with the shortfall now most acute in the tertiary sector. Expenditure has never recovered or been restored from pre-austerity levels, despite numerous recommendations to do so, not least the 2016 report of the *Expert Group on Future Funding for Higher Education*.

Education is an essential and core public good and should be treated and funded accordingly. To address the ongoing funding shortfall in tertiary education, Congress believes government should commit to reaching, matching and maintaining parity with the OECD average spend on tertiary education.

Guaranteeing equality of access must be the cornerstone of any public education system. An open, accessible and inclusive sector underpins and enhances the active participation of citizens in the institutions of democratic society. Equally, it is critical to ensure we can respond to coming economic challenges – particularly the shift to a low carbon model and digitalisation.

For students, the annual cost of living while in education has become almost prohibitive. The ongoing shortage of affordable accommodation in major education and population centres means these costs will continue to rise for the foreseeable future, without action on the housing crisis.

In that context, there should now be a full reassessment of the current grant system to ensure that grants are directed where they are most needed and the system operates in a fully transparent manner.

²³ https://www.ictu.ie/download/pdf/submission_on_forum_for_higher_level.pdf