

Minister of State's Opening Remarks

10 February Select Committee on DFHERIS Revised Estimates 2022



Opening Statement by the Minister of State for Further and Higher Education, Research, Innovation and Science

Select Committee on Education, Further and Higher Education, Research, Innovation and Science, 10 February 2022: Vote 45 – Revised Estimate 2022

A Chathaoirligh agus a Bhaill den Choiste (Chair, members of the Committee).

Thank you for the opportunity to speak to you this morning and for the Committee's consideration of this Department's Revised Estimates.

I am conscious that I have only 5 minutes to deliver my opening statement. I will therefore just give a very brief overview of the Revised Estimates for my department for 2022.

The Revised Estimate for Vote 45 that is before the Committee now provides for a net allocation of €2.9 billion, representing a gross allocation of €3 billion reduced by Appropriations-in-Aid of €76 million. When taken with the National Training Fund expenditure of €765 million the gross allocation for my Department in 2022 increases to €3.7 billion.

The Vote 45 allocation comprises the following key elements:

- A Core allocation of over €2.9 billion to meet the various requirements of the Department in the areas of further and higher education, research innovation and science;
- Temporary Covid funding of €20 million at Budget 2021 to fund increased demand for Student Universal Support Ireland (SUSI) grants in the face of the ongoing pandemic;
- Temporary funding of €19 million to support education and training reform for new and future Technological Universities under Ireland's National Recovery and Resilience Plan; and
- Temporary funding of €3.5 million through the Brexit Adjustment
 Reserve to address the impact of Brexit on the Erasmus scheme.

The Department's capital ceiling has also increased, and funding was provided to meet the costs associated with the public sector Building Momentum pay deal.

47% of the Department's Gross Vote is allocated to pay and pensions, reflecting the crucial work public servants are carrying out in the further and higher education system, and in the research, innovation and science sector. This Department provides the funding for over 26,000 public servants and over 11,000 public servant pensioners.

Excluding temporary adjustments and funding, the Core increase year on year for my Department's Vote is 8%, or €204 million. This increase

is from additional funding received during Budget 2022 allowing this Department to progress major priorities:

- Firstly, we are making a significant investment in the Higher Education Sector, including funding for increased undergraduate places to support Leaving Cert students and meet Ireland's demographic needs. In 2022, funding for the higher education sector increases to €2.1 billion, the highest it has ever been, and higher even than peak funding levels in 2008. This is only a start and my Department will be publishing the consultant report under the EU Commission's DG Reform programme on sustainable future funding of the tertiary system later this year;
- Secondly, recognising that the levels of support for students are out
 of step with the costs of going to college, this Department increased
 student supports in order to address increased cost of living. The
 SUSI Review will make key recommendations on how to improve
 the SUSI grant scheme and this report will be brought to
 Government alongside the future funding report;
- Finally, the impact of the pandemic has fundamentally changed the
 way we all live and work. Industries are crying out for staff, including
 digital infrastructure, cyber security, construction, transport and
 logistics, climate sustainability, and many more. In 2022 we have
 significantly invested in upskilling, reskilling and apprenticeship in
 order to help address the significant workplace change associated

with digitalisation, automation and climate change, whose impacts are expected to increase in the coming years.

I trust that this overview is of assistance to the Committee. I am happy to discuss these issues in more detail, and I commend the Revised Estimate to the Committee.

Thank you.