

# DÁIL ÉIREANN

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## AN COMHCHOISTE UM OIDEACHAS, BREISOIDEACHAS AGUS ÁRDOIDEACHAS, TAIGHDE, NUÁLAÍOCHT AGUS EOLAÍOCHT

## JOINT COMMITTEE ON EDUCATION, FURTHER AND HIGHER EDUCATION, RESEARCH, INNOVATION AND SCIENCE

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*Dé Máirt, 22 Márta 2022*

*Tuesday, 22 March 2022*

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Tháinig an Comhchoiste le chéile ag 11 a.m.

The Joint Committee met at 11 a.m.

Comhaltaí a bhí i láthair / Members present:

| Teachtaí Dála / Deputies | Seanadóirí / Senators |
|--------------------------|-----------------------|
| Rose Conway-Walsh,       | Malcolm Byrne.*       |
| Jim O'Callaghan,         |                       |
| Marc Ó Cathasaigh.       |                       |

\* In éagmais / In the absence of Deputy Fiona O'Loughlin.

I láthair / In attendance: Senator Lynn Boylan.

Teachta / Deputy Paul Kehoe sa Chathaoir / in the Chair.

### **Business of Joint Committee**

**Chairman:** Apologies have been received from Deputy Jim O’Callaghan, who hopes yet to attend, Deputy Donnchadh Ó Laoghaire, Senator Fiona O’Loughlin, for whom Senator Malcolm Byrne is substituting, and Senator Eileen Flynn.

The draft minutes of the meeting of 8 March 2022 have been circulated. Are the minutes agreed to? Agreed.

*The joint committee went into private session at 11.09 a.m. and resumed in public session at 11.34 a.m.*

### **Future Funding of Higher Education: Discussion (Resumed)**

**Chairman:** We are joined by Ms Marian Duggan, vice president of academic affairs and registrar, as well as vice president for equality, diversity and inclusion, at the Technological University of the Shannon Midlands Midwest; Mr. Tim Horgan, head of the faculty of engineering and science at the Munster Technological University; Dr. Aedín Doris of the department of economics at Maynooth University; Professor Mark Rogers, registrar and vice president for academic affairs at University College Dublin; and Ms Bríd Horan, chair of the DCU governing authority.

The witnesses are here to discuss future funding for higher education. The form of the meeting is I will ask Ms Duggan to make a brief opening statement, to be followed by Mr. Horgan, Dr. Doris, Professor Rogers and, finally, Ms Horan. This will be followed by questions from members of the committee, with each member having an eight-minute slot for the question to be asked and for witnesses to respond. There are timers on the screen so the witnesses and members might keep a close eye on them.

As witnesses are probably aware, the committee will publish opening statements on the website following today’s meeting. Before beginning I remind members of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the Houses, or an official, either by name or in such a way as to make him, her or it identifiable.

I also remind witnesses of the long-standing parliamentary practice that they should not criticise or make charges against any person or entity by name or in such a way as to make him or her identifiable, or otherwise engage in speech that might be regarded as damaging to the good name of a person or entity. If the witnesses’ statements are potentially defamatory in relation to an identifiable person or entity, they will be requested by the Chair to discontinue their remarks, and it is imperative that they comply with such a direction from the Chair. I know none of the witnesses will go beyond saying what they have come here for.

**Ms Marian Duggan:** I appreciate the opportunity to partake in this round-table discussion on the future funding of higher education.

Ireland has recorded significant progress in higher education, with much of the architecture in place. We now need consistent and focused public investment to ensure higher education in Ireland delivers on our national ambition and international obligations. Substantial investment in the creation of technological universities has taken place. However, this has mostly taken the form of one-off investment, designed to assist the development process, or competitive-based funding, which is not guaranteed on a multi-annual basis and does not allow the institutions to “plan forward” in spending. Consequently, not only is there a need for significant multi-annual, long-term investment in higher education generally, there is also a further specific need for the same in technological universities. Failure to make that investment will inevitably affect the ability of the sector to satisfy the ambitions laid out for it by Government and will hinder the capacity to contribute to the pipeline of skills talent that the country requires.

With the increase in student numbers, student support services have faced increasing demands and particularly in our institutions, where such services suffer from legacy funding inequalities. Given their profile, our students have been disproportionately impacted by the pandemic. Existing inequalities in housing, income and cultural capital have been amplified. Students have sought to maintain their learning while dealing with challenges relating to mental health and well-being, poor quality study spaces off-campus and extended periods of isolation that undermined the traditional whole student experience.

While technological universities acknowledge and welcome the additional “one-off” funding initiatives provided during this time, it is critical that we move to multi-annual funding to enable strategic planning and decision-making, with efficient reporting processes so that these essential services are enabled to devote their time to the support of individuals. Technological universities urgently require specific investment to embed fully the consent framework and achieve the required cultural changes at the heart of the framework. This investment would benefit both students and staff.

The transformation to technological universities is the biggest educational change of our times. For technological university employees, that will mean transformation and change also. We are awaiting the final report from the OECD advising on the academic contract and related matters. The introduction of professor grades, a workload allocation model to reflect the changing nature of an academic’s work, including research and administration, as well as the traditional teaching and learning role, robust promotion structures and new senior management structures will have to form part of that report. These changes will require significant increased core funding for the sector, which will require a swift response from Government.

A further challenge relates to the lessons from Covid-19. Students appreciated the ability to learn online and there is no doubt that blended and online delivery will feature more regularly in the years to come. We will need to invest in training and development over the next few years to leverage this potential. To address this, the recent submission by the technological sector for funding under the national recovery and resilience plan focuses on investment in state-of-the-art digital infrastructure.

With respect to capital investment, there is a concentration now on inflation and the costs of living. For our students, the student accommodation challenge looms large. The increase in student numbers, including international students, is creating an unprecedented demand for suitable, affordable student accommodation that has been exacerbated by the wider societal housing need. There is no doubt that increasing the supply of on-campus purpose-built student accommodation could relieve the pressure on the private rented market. The delays in addressing this matter over the past few years cannot continue. Technological universities await access

to the borrowing framework.

The lack of capital buildings investment is of great concern and the public private partnership process currently under way is slow and not delivering the building stock required in the immediate future. A major capital fund must be allocated and disbursed. This capital deficit extends beyond the physical buildings into equipment, facilities and information technology infrastructure, including for research and innovation.

With regard to research and innovation, part of the development of technological universities is the policy imperative and legislative requirements to grow our research and innovation capacity in support of the regions and, in particular, in support of enterprise. The main challenge is that core funding is insufficient, so any research and innovation capacity-building funding, while very welcome, is time-limited and being used to fund initiatives that would more sustainably be funded from core. This presents a particular challenge to establishing the well-resourced research and innovation support offices typical of a university sector.

There have been repeated calls for the research and innovation allocation through the recurrent grant to increase from €5 million per year, which has been a static amount since its introduction in 2019, to 5% of the overall sector recurrent grant over a period of five years, eventually increasing to 10% of total recurrent grant, as is the case in the traditional universities.

Our students are from many and varied backgrounds and they reflect the increasing diversity of our complex society. The funding model has been revised but it does not adequately address the diversity of needs in our system. There is insufficient weighting for student access and no weighting for the smaller student groups that our pedagogical model uses to help such students. Technological universities cannot simply be funded on the same basis as traditional universities with their well-established pipelines of philanthropy and alumni support. At a time, therefore, when higher education is under major financial pressure while trying to maintain academic standards, the pressure on technological universities is even greater. If they are not helped in their earlier stages of development, the opportunity may pass to deliver on balanced economic and regional development and access to education for all.

**Mr. Tim Horgan:** I thank the committee for providing me the opportunity to speak about the future expansion of craft apprenticeships and new-generation apprenticeships. Munster Technological University is the largest provider of craft apprenticeship programmes in the country, with a total of 1,872 craft apprentices due to complete their off-the-job phases in the university this academic year. Craft apprentices in electrical, refrigeration, plumbing, carpentry and joinery, plastering, pipe fitting, metal fabrication, fitting, motor, construction plant fitting and agricultural mechanics complete phases 4 and 6 in block release mode in MTU. In addition, MTU delivers post-2016 apprenticeship programmes which offer university degree qualifications. Currently, over 200 students are registered across six programmes such as the BEng in manufacturing engineering and the BSc in engineering services management.

MTU has a long history of delivering programmes using online learning. The use of a rich and user-friendly online learning portal has led to an increased uptake in the number of students in our post-2016 apprenticeship programmes. The flexibility and availability of this service provide blended learning opportunities which enable us to extend the reach of new apprenticeship programmes.

Apprenticeships are central to the mission, strategic remit and activities of the technological university and institute of technology sector. As a TU it is very important for us to continue our

strong partnership and leadership in apprenticeship delivery. The Technological Universities Act 2018 also highlights this need and sets out our role in this area.

The level of engagement of higher education in apprenticeship provision is significant, as is the level of annual and capital investment. Higher education providers across the TU and IoT sector provide 60% of all craft apprenticeship off-the-job training, which currently equates to over 8,000 training places. Furthermore, 65% of all new consortia-led apprenticeships are provided in the higher education sector. The annual investment in craft and consortia-led apprenticeships in higher education is currently in excess of €55 million. Some €35.5 million has been invested in capital programmes to deal with expansion requirements in the higher education sector over the past five years.

Apprenticeships are offered at all levels of the national qualification framework, from level 6 to 10. It is a mode of learning built around an employment opportunity with the learning provided by both higher education and further education depending on the level of the award.

I fully support the new action plan for apprenticeship. I also welcome the establishment of the national apprenticeship office which is a joint venture between the HEA and SOLAS and reflects the collective participation of the higher education and further education sector in the provision of apprenticeships.

Higher education can play a key role in the transition of current SOLAS co-ordinated craft apprenticeship to a consortia-led model. The existing collaborative partnership between further and higher education sectors should continue and be enhanced through the new opportunities we now have in the transition process.

The further and higher education sector has great knowledge of the existing centralised craft apprenticeship system and also the existing consortia-led programmes. The sector is looking forward to the development of a single apprenticeship model and can play an important part in this evolution. The TU sector though delegated authority is well placed to offer leadership as a result of its experience in programme development, assessment, validation, quality control and the international recognition of university awards.

The main challenge facing MTU in addressing the skills shortage when it comes to apprenticeships is the lack of facilities, such as classrooms, laboratories, workshops and offices. We receive capital funding for equipment when new curricula are introduced but no funding is provided for new buildings or the upgrade of existing buildings and services to install this new equipment. Targeted funding to upgrade buildings to support existing and new apprenticeships is essential for the delivery of the apprenticeship targets. Opportunities also exist to develop new shared facilities with the further education sector.

Finally, I mention the World Skills Ireland event which will be held in the RDS in September 2022. It is a showcase event for apprenticeships. It promotes skills and apprenticeship at a national level. In October 2022, a team from World Skills Ireland will travel to Shanghai in China to compete at the highest international level.

**Dr. Aedín Doris:** I thank committee members for inviting me. A wide range of issues pertaining to the future funding of higher education are being considered by the committee at today's meeting. My research expertise is relevant to two of these. I have done research on income-contingent student loans and how they might contribute to higher education funding. My research in this area was incorporated into the 2016 Cassells report. I have been involved in

research and policy reports on access to higher education. My comments will address funding and access issues in the context of my work in these areas.

The Cassells report concluded that the 2016 level of higher education funding was unsustainable and called for increased core funding of €600 million per year, rising to €1 billion per year by 2030. Although funding has increased in recent budgets, so have student numbers, meaning that spending per student has not improved. Reports suggest that the European Commission's analysis of the Cassells review, which remains unpublished, indicates that between €350 million and €400 million in additional core funding is needed annually, a lower figure than the €600 million indicated in the Cassells report, but nevertheless substantial.

The Cassells report, to which I contributed, outlined three possible options for increased funding, namely, a model of full State funding; increased State funding with a continuation of upfront student fees; and increased State funding combined with an income-contingent loan, ICL, system. I will briefly outline the economic view of these alternatives.

Although a fully taxpayer-funded system may seem attractive because it provides access to education at no upfront cost to the student, it is ultimately the most regressive option as it entails the biggest transfer of resources from those who have not benefited from a higher education, the lower paid, to those who have, the better paid. Moreover, this option would entail a continued heavy reliance on tax revenue for any future investment in the sector.

Option 2, combining increased State support with upfront fees, as at present, alleviates some of the public cost in the short- and long-term. However, upfront costs raise concerns about affordability and accessibility. Although about half of higher education students do not pay fees because they are covered by a fees grant, some of those who do not qualify have incomes close to the qualification threshold and struggle with both fee and maintenance costs. This is particularly true for families with more than one student in higher education at a time. Many parents borrow at commercial rates to cover these upfront costs.

The purpose of an ICL system is to remove such concerns while also sharing the burden of financing higher education in an efficient and equitable manner. ICL repayments, which are automatically deducted from the graduate's pay cheque on the basis of monthly earnings, are low or zero for low earners and increase as earnings increase, so they are designed to be affordable. Income-contingent debt is, therefore, unlike other forms of debt.

Although ICLs would eliminate fee-related upfront costs completely, it is my understanding that these have been ruled out by the Minister. Reports indicate that a reduction in the €3,000 student fee and possibly its eventual elimination has been proposed instead. Option 1, therefore, appears to be the preferred one. As mentioned, this is a regressive proposal and implies even greater Exchequer funding into the future. Perhaps this reported decision is based on the analysis included in the European Commission's economic analysis of the Cassells report proposals. I look forward to publication of that.

I worked with Dr. Delma Byrne and other Maynooth colleagues on a 2014 evaluation of the higher education access route, HEAR, and disability access route, DARE. This evaluation drew attention to the possibility, suggested by the data, that within the pool of low-income higher education applicants, successful HEAR applicants may be drawn from the relatively more educationally advantaged of that pool. As a result of some of the insights from this report, HEAR and DARE eligibility criteria were revised.

More recently, I was a member of an Irish University Association HEAR review group. It has proposed amendments to the HEAR criteria, which are being considered. Through my work on this group, I have become very aware of the practical administrative difficulties in identifying those most in need of targeted assistance.

There is more to access than attaining a place in higher education. It is also important that disadvantaged students complete their degrees and achieve the grades they are capable of, given that there is substantial evidence that degree grade affects future earning potential. In this respect, I believe it is important to consider the role of maintenance grants in ensuring true access. In recent years, these grants have fallen substantially in real terms when taking into account increases in living costs for students. In addition, family income thresholds for grant eligibility have fallen in real terms. Both of these facts have contributed to rising upfront costs for students and their parents, even those who qualify for both fee and maintenance grants.

My experience as a lecturer tells me that this is resulting in an increasing number of students who are working substantial hours in the labour market and fitting their studies around their work, rather than *vice versa*. This may have been exacerbated by the Covid pandemic. Although it is difficult to find data on hours of work of students, and especially on how work affects retention and grades in education, I regard the adequacy of maintenance grants as an important aspect of true higher education access. I note that modest grant increases and eligibility threshold increases have been announced by the Minister recently and that a more extensive review of the grant system is under way. This is indeed to be welcomed.

**Professor Mark Rogers:** I am grateful for the opportunity to speak to the committee. As I have provided a detailed submission, I will keep my comments to the key points.

Universities will play a key role in Ireland's recovery from the economic impact of Covid-19 and the university sector is ready and willing to partner with Government in response to those challenges. I echo the comments of the CEO of the Irish Universities Association, IUA, who recently observed that the importance of higher education and research was clearly recognised recently through the creation of a dedicated Department. Today I will highlight why universities require a sustainable and multi-annual funding model to support them in delivering their objective, which is, to educate, undertake research and scholarship, and in doing so, promote cultural, social and economic development.

It is generally agreed that the current funding of higher education is inadequate to meet the competing demands of the sector both in a national and international context. The Parliamentary Budget Office estimates that in 2019, funding per undergraduate student was 50% lower than in 2008. Between 2008 and 2021, full-time equivalent student numbers in higher education increased by 42%, a rise of 65,000 students. That growth in student numbers coincided with reduced State investment in higher education. As a result, State grant funding per student fell from just under €9,000 in 2008 to just over €5,600 in 2021, a reduction of over 37%. In 2021, the actual increase in direct State recurrent grant funding in real terms amounted to approximately €121 million, a considerable shortfall on the €600 million per annum recommended by the Cassells report in 2016. It is essential that the overall funding of the system increases in line with the recommendations outlined in that report. It is also essential that this increase should not be associated with new activity but recognises the actual underfunding of current activity.

As noted by the IUA, the role of universities was pivotal throughout the pandemic. The advanced skills and research knowledge in our third level system and the flexibility in which it was applied underpinned much of the response to the pandemic, both nationally and across

the globe. Without proper recognition and funding of the expertise, knowledge and capacity to innovate that is inherent in the sector, such responses to future crises may not be possible. We must ensure the funding model for higher education properly recognises the role of universities in research, innovation and scholarship, as well as in the education of the next generation of leaders, innovators and entrepreneurs.

I will now turn to the priority of supporting access, diversity and inclusion in our higher education system. Successive national access plans have made real and significant progress in access. We now need to see emphasis on inclusion, which requires a holistic approach at institutional level, underpinned by the principles of universal design for learning. This is best achieved by appropriate funding of all students. Targeted initiatives are important and play a critical role in the path to embed the principles of inclusion, equity and access, but our ambition must be to transform our system so that all students are treated equitably and the learning experience is universally designed and configured to meet their needs.

Many students face significant obstacles in accessing third level and access and inclusion can only happen where barriers to entry are removed. A key impediment is the inadequate level of support provided through the Student Universal Support Ireland, SUSI, grant scheme. Recent changes to the system to further support asylum seekers and changes to the travel distances in the context of eligibility are important steps in making the system more accessible. However, further work is required on the qualifying social welfare payments, the special rate of grant category and provisions that reflect the modern family.

My final point is on support for mental health and well-being as it is a critically important issue in universities for both students and staff. The challenges posed by the transition to higher education are diverse. Research indicates that many of the serious mental health issues first emerge in the undergraduate entrants age group. It is important that there are appropriate policies, protocols and procedures in place for mental health, critical incidents and the appropriate use of emergency response teams. These policies should be linked to wider policies on the student experience so that an institution-wide approach is adopted and embedded in the campus culture. It must also be recognised that universities are part of a broader societal context. While they provide mental health and well-being supports, they are not well placed to provide services and supports that are best delivered through the HSE. The national student mental health and suicide prevention framework for Ireland calls for an embedded whole-system approach and higher education institutions will only be effective in this area if supports are provided at whole-sector level.

I believe we are at a serious juncture. Without a coherent, multi-annual funding mechanism that enables universities to deliver on current demands, innovate, develop new approaches to teaching and fully support an inclusive and diverse community of learners, the objectives of the national development plan will not be realised.

**Ms Bríd Horan:** I thank the committee for the invitation to speak to it. I will concentrate primarily on the funding issues but I wholeheartedly endorse the comments made by the speakers who have preceded me. Their contributions have been interesting and important.

Ireland benefits enormously from having a young, well-educated workforce. That drives our economic growth and benefits individuals, employers, society and the State. Higher education is a critical pillar of economic success and of vital services, including education and health. Furthermore, research intensive universities play a valuable role in addressing societal challenges, as we have seen over the past two years. In spite of this, the sector faces potentially



existential challenges due to sustained underfunding, particularly over the past ten years. As a nation, we need to reframe our view of funding higher education to one of investing in our social and economic future. To quote DCU president, Professor Daire Keogh, investing in higher education is investing in the ultimate renewable resource: our young people.

I have been acutely aware of this issue since working on the expert group that was mentioned by Dr. Doris. That group was chaired by Mr. Peter Cassells. The report of the group is generally referred to as the Cassells report. That 2016 report highlighted the serious gaps that have already been referred to in core and capital funding and the risks of not addressing them. Dr. Doris has given the committee the numbers involved. If one accumulates the gaps in funding that have not been addressed since 2016, we already have a combined deficit in core and capital funding of over €4 billion. That underfunding is being felt within the system. The group also recommended an additional €100 million in student support funding. Those issues have also been well highlighted by previous speakers.

There has been limited additional funding in recent years, largely from an increased national training levy on employers. That is one of the Cassells group recommendations that has been implemented. This extra funding has generally been allocated on a competitive basis and targeted towards specific initiatives. The downside of that is that winning funding requires additional activity and spending by the successful institution. While welcome, it does not address the inadequate basic funding.

I believe the committee's main focus should be on core and capital funding levels for ongoing costs and essential infrastructure. This basic funding has been diluted by a number of factors, including the severe funding cuts following the financial crisis over ten years ago and the dramatic increase in student numbers. That increase was entirely foreseen, given demographic trends, and was projected in the Cassells report. That increase is projected to continue until 2030. In spite of the increase in student numbers, staff numbers have been controlled throughout the period. The staff to student ratio, which is widely recognised measure of quality, has increased in Ireland, leaving us well behind other countries. In 2019, the average staff to student ratio in both OECD and EU countries was 15:1 while in Ireland, it was 23:1, which is a dramatic difference.

Another negative factor has been so-called top slicing from overall funding, which means allocating funding to particular initiatives on a competitive basis among institutions and typically involving additional activity and spending within the institution. That top slicing is taken from the overall Exchequer allocation, leaving less for core and essential costs.

These combined effects have eroded quality and undermined the sustainability of the sector. As a country, we have been layering partially funded initiatives onto an underfunded base. The *status quo* in terms of funding our higher education system is not a cost-free option. The funding gaps I have outlined reduce the quality of teaching and learning and of the student experience. They limit the participation of young people from disadvantaged backgrounds and endanger career opportunities for Irish graduates in what is a very competitive and mobile labour market. Ultimately, they threaten the overall contribution of higher education to our public services, and to Irish economic and social life and to our future development.

We need to protect Ireland's reputation as offering a well-educated workforce. We need to properly fund the institutions providing that resource. These institutions can then be both supported and challenged to be genuinely world class and to give our students the opportunities they deserve. That said, I fully recognise the competing demands for public resources to

address challenges such as housing, climate change, and health services, and that household incomes are severely strained. Nevertheless, for our future, we must invest in higher education to support our continued social and economic success and to create a sustainable, innovative, and high-quality future. That investment, combined with the committed leadership and staff that I have witnessed in the higher education sector and, of course, our talented students, will deliver Ireland's ambitious national goals. I again thank the committee for the invitation to take part.

**Chairman:** I thank all witnesses for their opening presentations. Our first questioner is Deputy Conway-Walsh. She will be followed by Senator Malcolm Byrne.

**Deputy Rose Conway-Walsh:** I thank the witnesses for their extremely valuable contributions. This is probably one of the most valuable sessions we are likely to have, particularly considering their experience working on the Cassells report. My first question to the witnesses is how much damage do they think has been done? It is five years after the Cassells report was published. It has come back from the EU but we have not had sight of it yet. I would prefer if we had sight of it. We could have much more productive conversations around this, therefore, we are stabbing in the dark somewhat.

Ms Horan put it starkly. The accumulated shortfall in investment since 2016 - €2.7 billion in recurrent spending and €2.2 billion in capital spending - means we are almost €5 billion behind. We are falling behind all the time, and this is very concerning. We know it has been happening, yet we are told that we have never invested as much in higher education. We need to look beneath, as we are, in terms of the increase in the number of students and, as stated in the presentations, the cut. The truth is that it is 37%, and 50% less in real terms, per student. We need an honesty around where we are at if we are to dig down and see what we need to do here. We need to be honest about the opportunity cost. We need to be honest about where matters stand. We can no longer cover things up with once-off funding and making big announcements and stating that everything is wonderful.

We do a massive disservice to the entire population when we cover up what is happening in the funding of higher education. We need to see it as an investment rather than a spend. If we continue to see it as a spend, we will do a disservice across the board in terms of research, innovation, scholarships and all the other matters Ms Horan mentioned. What has been the impact of this underinvestment in education, working conditions, and research? What impact has it had on the public nature of third level education? I will ask Ms Horan to comment on that first. How do we compare internationally? How much are we falling behind internationally while we are standing still or going backwards in terms of investment in higher and further education?

**Ms Bríd Horan:** It is a complex question. I do not work directly within the system. I am chancellor of DCU and chair of the governing authority. I have, however, observed the system through my work with the Cassells group, as well as through work I did with the HEA. My observation is that the system has been incredibly adaptable, has really flexed and adjusted and has lived within very constrained means. However, I also observe that it is, therefore, under stress. That stress is showing in terms of the staff and the leadership within the sector. It is becoming increasingly difficult for them to stretch those resources. They have been really innovative in drawing on alternative sources of income. Many of the colleges have worked successfully to attract international students, which has bolstered resources, but that is a finite possibility and if we damage overall quality, our ability to compete internationally will decline.

We have stretched the resources close to breaking point. That is evident in the areas of infrastructure and equipment. We are looking to improve the existing infrastructure to cope with

the challenges of Covid, for example, and to have better lecture facilities and so on, but also to cope with climate change. There is a core Government objective, as I said in my submission, to make sure that we are operating within our climate goals. That requires refreshing investment in the infrastructure. The system has adapted very well and has been very innovative in finding alternative sources of revenue, working well with enterprise, finding funding for research and borrowing. Within the university system, we have been able to borrow in order to invest in infrastructure but that creates pressures in terms of operating commercially.

The system has taken a complex set of measures. I am hopeful that students have not suffered irreparable damage. As to the quality of the graduates, the academic system is well curated and monitored in terms of the quality of the programmes. I have a level of confidence about that, but pressures exist among the staff and within the infrastructure and - Dr. Doris referred to this - the pressures on families to meet the costs. Within the Cassells group, we also recommended an extra €100 million towards student support. We believed it was important that it was targeted. We are seeing increasing numbers of students who have to commute because of the cost of accommodation. There are complex issues regarding that, about which we in DCU have worked closely with the Department to make sure it understands the complexities of increasing student accommodation. Students are increasingly working to support themselves in college. That again is putting pressure on the students. It is system under stress.

**Deputy Rose Conway-Walsh:** The question is whether we can catch up. Is there an opportunity to catch up or are we too far behind? How long will it take us to catch up, even if recurrent and capital spending are addressed, considering what we have lost out on since 2016?

**Ms Bríd Horan:** By nature, I am an optimist so I definitely believe we can catch up. What I have seen within the system is an adaptability and agility and the passion of the leadership and staff in the higher education sector. What we need now is for the State to match that with the requisite funding.

**Deputy Rose Conway-Walsh:** Are we putting higher and further education beyond the reach of people? It was referred to earlier that the system is there to suit the two adults with 2.4 children, a cat and a dog. If one goes outside of that, it creates bureaucratic nightmares for people and huge barriers to entry. How concerned are the witnesses about that?

**Dr. Aedín Doris:** I raised the issue of students increasingly working and that is one of the issues that struck me. As I said, I believe Covid has exacerbated that. The fact that we had to move learning online so suddenly gave students an opportunity to work. That masked what was happening to accommodation costs during the period of Covid. When they came back, they found the accommodation to be completely unaffordable. Maynooth University has a lot of first generation students. It has more than the other universities and is similar to some of the institutions in the IT sector in that regard. We have more students on grants, for example, than any of the other universities. Perhaps I am more exposed to it than people in other universities would be, but I have had students tell me they cannot have continuous assessment done because they are working full-time or have been working very long shifts over the previous week and will try to get the work done next week, to give an example.

It is definitely impacting on students. When we assess access, we find that Ireland has quite a good record in getting students into higher education, by international standards. We should be very proud of that. The HEAR scheme has been particularly useful in that respect and the universities worked very hard in this area. However, but that is not all there is to access. It cannot be the case that there are students who, because of their background, cannot fully engage

with their education. We can be as innovative as we want but if students cannot engage with the education we are providing, that is very much a problem. They will not get the grades they should get and grades matter for earnings. They are one of the main returns that students seek. They are not the only thing they look at when they go to university but an important aspect of it. If their financial position is causing a systematic downgrading of their achievements, we should be very concerned about it. This issue could be rectified very quickly. Most students do not want to be working and know they should not be working so much but the financial pressures at home dictate that they have to do so. It is either work or give up education altogether. I know there is a review of the SUSI grant under way and I hope it will be part of a serious effort to address the big shortfall in the cost of attending higher education for students because it is a big and growing issue.

**Professor Mark Rogers:** If I may add to that, I fully agree that access to the university sector nationally has been extraordinarily well done but the issue is about participation while students are in college and their getting the real benefit from that. I refer to that as inclusion. The SUSI grant scheme is the mechanism by which that should be properly resourced. The levels of funding, access to that funding and the levels below which parents' salaries must be in order to gain access to what is inadequate funding very much needs to be addressed.

**Deputy Rose Conway-Walsh:** The abolition of fees would obviously greatly help that also.

**Professor Mark Rogers:** The maintenance component of this is a fairly important one. I agree on abolishing fees and I am relatively agnostic as to how the higher education sector should be funded as long as it is properly funded. Abolishing fees poses very significant challenges in terms of the additionality of funding that is required. It is not only fees; the ability to pay the bus fare to college to be able to attend properly is also a key issue.

**Senator Malcolm Byrne:** I thank all of the witnesses for their useful testimony. Dare I say it but the question of higher education funding is the modern political equivalent of draining the Shannon. It is something that everyone thinks might be a good idea and it is kicked to touch and pushed down the road. It is perhaps reflected in the fact that there is not big turnout among Oireachtas Members at this meeting. It is not an issue that comes up much on the doorsteps, bar perhaps questions around fees. There is a challenge politically for us and, I would argue, the sector around communicating some of those challenges. The long-term implications of the sector collapsing are known but the difficulty is around how that is communicated. When there are, as Ms Horan has said, competing demands on the public purse, it is very hard for us to be able to communicate that. I was struck by how income-contingent loans were immediately dismissed without any necessary debate.

The argument that abolishing fees would be a very good thing has been made without ensuring that the necessary commensurate funding to replace fees is addressed. I take the point that there is a need for more funding.

How do we get this issue to the top of the political agenda where it should be, given that, as Professor Rogers said, we need to meet the needs of the national development plan and we will not do so unless we invest?

**Professor Mark Rogers:** If I had the answer to that question, I would have given it many times. There is a great deal of evidence about the value of the higher education system for the economic growth and social development of the country. The Indecon report indicated that the return against the investment made in education was about nine to one. We can think about €9

million going back into the economy on the basis of a €1 million investment. That is very significant. I am the first to argue that higher education is not simply about economics; it is about cultural and social good. The well-being of the country and of the individuals within it is much greater because we have a vibrant education and higher education system. The evidence from research and scholarship undertaken in the universities shows the benefits that has brought over the years. All we can do is to keep highlighting those facts.

**Deputy Malcolm Byrne:** Let me throw out a further question for which I ask for a quick one-or-other answer. The Minister for Finance might say he has very limited resources. If they had to make a choice between the abolition of fees and significantly reforming and increasing the money available under the SUSI grant system, what would our witnesses do? I ask each of them to respond in ten or 15 seconds.

**Ms Marian Duggan:** In the technological sector, the profile of the students is such that we have a higher percentage of those from the lower socioeconomic group. In percentage terms, between 60% and 70% of our student population are benefiting from SUSI grants. Increasing grants is important not only in gaining access to higher education *per se* but also in those maintenance grants enabling students to continue in higher education, and, therefore, reducing the requirement to have to work in order to fund attendance at higher education. To give a direct answer to the Senator's question, reform of the SUSI grant needs to be of direct benefit to the student and to higher education.

**Mr. Tim Horgan:** I agree. The SUSI grant system is a valuable system and making it work better would be the right course of action to follow.

**Dr. Aedín Doris:** I would have no hesitation in saying that the SUSI grant is far more important. For me, getting rid of the €3,000 fee, for example, should not be a priority. There is no doubt that the priority should be the SUSI grant.

**Professor Mark Rogers:** I agree. We have many students who are quite capable of paying that €3,000 fee but it needs to be in conjunction with ensuring that it is not seen as a barrier to access for others, through proper funding of SUSI.

**Ms Bríd Horan:** I agree with everything that has been said. I strongly believe that abolishing fees would be a real mistake. Any talk of reducing fees with the State making up the balance to the institutions overlooks the fact that the State does not have an unlimited source of funding. The State needs to step up as well as the fees. The Senator will know from my membership of the Cassells group that I favoured going further and providing for income-contingent loans. Targeted supports for students are the answer. We need to address core funding for the ongoing supports to students while they are in the institution, which has been referred to by a number of other speakers. It is not just about getting people in the door on the first day but it is about supporting them to get the best experience and qualifications they can as a result of getting in that door. That is what will support them through their careers and further lives.

We talk about Ireland as a well-educated society. We cannot take that for granted because one does not recognise what one has until it is gone. That well-educated society includes our teachers and healthcare workers. I am very conscious of that from my work with DCU. We saw the generous contribution those students made during Covid in going into the classroom and into hospitals. We need to support them so that they can come out and make a lifelong contribution in those areas as well. This is not just about people sitting down in the International Financial Services Centre. This is about the core services in society.

**Senator Malcolm Byrne:** I agree with Ms Horan on core funding to provide existing services. One of the big challenges we will increasingly face is that because of the rapid pace of technological change, we will all be required to upskill and reskill. Programmes such as Springboard have been effective - and there have been some moves - but in terms of the scale of what we will need to do and the amount of investment that will be required, has any effort been made to quantify the costs that are likely in those circumstances if 65% of all existing jobs will be either redundant or significantly changed in the next decade? Mr. Horgan is smiling at me. Does he want to respond?

**Mr. Tim Horgan:** I can base my answer on my own experience at Munster Technological University. The challenges we face with upskilling are very simple. They relate to space for laboratories, workshops and recreational areas for apprentices. The infrastructure we have has been there since 1974. It has not changed. We have facilities with male-only toilets and poor disability access. There are no changing facilities and no recreational space for students, yet we are asked to take in more and more students. It is a big ask and it is going to stop at some stage because we will reach breaking point and we will not be able to take in further students.

**Senator Malcolm Byrne:** When does Mr. Horgan think the breaking point will happen?

**Mr. Tim Horgan:** It is currently there.

**Professor Mark Rogers:** We must be very careful. I do not remember the exact quote, but this idea that upwards of 60% of the jobs of the future have not even been thought of yet is an important argument about the need for education. It is not skills-based education; it is about the broader critical thinking capacity to adapt, innovate and change direction and do all the new jobs that we cannot imagine yet. It is very important that we do not try to predict the future. We will not get it right. As a result, we must be careful to make sure that we create a highly educated and competent student body that is adaptable and flexible and can take on the challenges ahead.

**Senator Malcolm Byrne:** It is about us shaping the future rather than predicting it.

**Deputy Marc Ó Cathasaigh:** I thank the witnesses for their presentations. My notes are a bit all over the shop, but that speaks to the quality of the submissions we received.

If it is all right, I will focus my questions on Dr. Doris because what she presented is probably the most challenging to my own world view. I mean that in a good way.

Option 1, as she sets out, is that State funding is regressive. That challenges my world view in the context of how the State should operate. I would like to give her the opportunity to dig down into that and also into option 3, which involves income-contingent loans. I am focused on the idea of access and on people from non-traditional backgrounds who find it more difficult to access third level education. In the case of option 1, Dr. Doris states that is regressive. I understand that in the sense that she says we are paying fees for people who can afford it. I want to give her an opportunity to expand on that in terms of taxation revenue, as opposed to funding, and whether it stacks up as regressive.

Option 3 relates to income-contingent loans. This is something I have spoken about at the committee before. In that context, I worry about social capital. I worry about a student who is looking at the prospect of third level education and the idea of accumulating that amount of debt is a barrier too high for them. If you come from a middle-class background and there is sufficient family income, you might be comfortable with that level of debt from a social capital

viewpoint. Could Dr. Doris point me to any international evidence or research which backs up her assertion that this is a more progressive model? I ask that because what she said challenges my world view, in a good way, and I want to give her an opportunity to expand on it a little.

**Dr. Aedín Doris:** I will speak about option 1 first, which is no fees and full public funding. It is regressive because, basically, what that mean is that it is not free; it comes from the taxpayer, and taxpayers are made up of lots of people, including low-income individuals who have had no opportunity or who have not gone to university. It is their taxes, as well as the taxes of the better off, that are going to fund an education system that they have never benefitted from, so in that sense it is regressive. All taxes are being used to fund higher education, which is an unusual good from an economic point of view. It is both a public and a private good in economic terms. What that means is that the public sector derives significant benefit. As Professor Rogers mentioned, the return on investment at a public level is substantial, but it is also substantial at a private level. The return on a higher education is substantial to the individual. Because people are paid more, they pay more taxes, but that does not fully compensate for it. From an economic point of view, it makes sense that the cost should be shared by both the individual private beneficiary and by the State. Even the most libertarian economist in the world would not argue that it should be privately funded. Nobody would argue that. If you try to fund a higher education system entirely privately, you get substantial underfunding and inadequate access. It is not an efficient way to do things, so it makes sense for there to be a substantial public sector investment. Option 3 in the Cassells report, the income-contingent loan system, and option 2 both involve both private and public contributions. They are preferable from an economic point of view.

**Deputy Marc Ó Cathasaigh:** Are we confident in standing over the idea of regressive versus progressive when we talk about the overall distributive effect, which is where I would try to understand progressivity versus regressivity? We do know that a greater amount of the tax take is taken from higher income people and there is also the corporation take intake and VAT receipts, which are different in context and that tends to be regressive in that way. If we look at the net redistributive effect in the round if there are free fees, would that tend to redistribute wealth in society more towards lower income groups or higher income groups?

**Dr. Aedín Doris:** Higher income groups.

**Deputy Marc Ó Cathasaigh:** Is Dr. Doris confident to stand over that?

**Dr. Aedín Doris:** Yes.

**Deputy Marc Ó Cathasaigh:** Very good. Does Dr. Doris have any comment on the idea of social capital and-----

**Dr. Aedín Doris:** I understand Deputy Ó Cathasaigh's concern about the debt associated with income-contingent loans being daunting. We probably should not call it debt, because it is not debt in any kind of normal sense. You only repay it if you have the wherewithal to repay it. In every income-contingent loan system in the world, there are people who do not fully repay their debt and some people who do not repay any of their debt because they have fallen on unfortunate circumstances, for example, they are unemployed or they have a disabled child they need to take care of. All of those things are taken into account. All the evidence is that what affects people's decision to participate in higher education are upfront costs. At the moment, people are incurring debt to go to higher education. However, it is not an income-contingent debt. Their parents are basically taking out the loans. They are taking them out at commercial

rates, especially if they have more than one kid in college at the same time. We are talking about really substantial repayments that have no income-contingent element to them.

The Deputy asked about international evidence and the case we always look at when we look at income-contingent loans is the UK, which is the country closest to us that have them. It is also the country that makes the biggest mess of them. The problem with the UK is not that the loans are income contingent; it is the fees are so high. Because the fees are so high, the loans amount to a graduate tax. Most people will be repaying them for their whole working lives, because they accumulate so much debt over their working lives. They charge extremely high fees. They increased fees from £3,000 to £6,000; I think was the first jump they made, although I could be wrong about that. They made substantial jumps to get up to £9,000 from the initial £3,000. Yet, there was no change in access by the lower socioeconomic classes that people had been worried about. The reason for that was that people understood that the fees would be repaid in the future and they are not upfront costs. As well as this, they would only be repaid if they could afford to repay them. Therefore, a striking aspect of the research on this is that it did not put people off going to college.

A more reasonable income-contingent loan system is in Australia. It was the first one and it has been ongoing for years. There has been much research on access there and it has had no impact. Fluctuations in the fees have had no impact on access by lower socioeconomic class students. There is therefore much evidence that income-contingent loans do not affect access negatively, whereas upfront costs do. The situation we have at the moment is that we have a lot of upfront costs. We have the €3,000 fee for approximately half of the student population. We have the costs of attendance, which are inadequately covered by the SUSI grant and which need to be topped up. That seems to me to be worse than the income-contingent alternative.

**Deputy Marc Ó Cathasaigh:** I had any number of other questions for other witnesses presenting. However, that was very valuable use of my eight minutes. The Chair might be flexible and allow other witnesses to contribute on that same question.

**Ms Bríd Horan:** The Cassells group had the benefit of the international research and had the expertise that Dr. Doris has just demonstrated here to the committee. It took account of those complex issues. I would ask this committee to take the opportunity to look in depth at the research and the evidence. One of the members referred to the very quick dismissal of the options. We need a serious reconsideration of the work of the Cassells group, which was broadly representative and included student representatives. It considered the question of access, the sustainability of the system and the contributions to society. It is often referred to as just one report. In fact, we published approximately eight reports to build the case. Unfortunately, that in-depth assessment did not really take place. This is the opportunity to have that in-depth assessment. As others have said, it is unfortunate that that European Commission report has not been published yet. Had it been, we would have been able to comment on it and hopefully, that will add some depth to the consideration of the issue. It is complex. It is competing with serious demands on the public purse. Yet, glib answers are not the right way to approach such a long-term and fundamental issue for the country.

**Chairman:** I have a couple of questions. Then I will allow members to come back in again. As Mr. Horgan is aware, some of the committee members made a recent visit to MTU back in November. The Government has been very much putting apprenticeships out there by encouraging more people, as is the CAO and everything like that. This is all very welcome. Some of their public statements have been very welcome. I am taken by some of Mr. Horgan's comments on pressure points and pinch points that MTU are facing. I presume most TUs are in a



similar position regarding apprenticeships.

I know money is everything but for a short-term fix, what is needed and required? If the MTU was given €25 million tomorrow morning, that would not fix the problem. It would in the long term but it would not fix the MTU's problem immediately. Maybe there is a building or construction site that has already been constructed. The MTU could move into it and retrofit it within a short number of months. Could Mr. Horgan outline the key areas where the MTU needs help? Funding is one area. What else does the MTU need and require to get over the crux that it has at that moment?

**Mr. Tim Horgan:** We are in this situation because of the sick and ill nature of craft apprenticeship delivery, which is employer-led. As the economy changes, the number of apprentices employed changes as well. As a result, it is difficult for us to predict numbers coming through the system. Currently, we have a serious lack of space, as the committee members have seen. While the quality of training and education is superb, unfortunately, the infrastructure dates back to 1974 and it has not really been modified since. We have been asked to increase the number of craft apprenticeships coming through the system. We have responded. Yet, at present we have approximately 274 hours of teaching online because we simply do not have the physical space to bring craft apprentices on campus. That might be an indication of the pressure we are under at the moment. Our labs and workshops are overcrowded in terms of space and equipment. There are no recreational areas for students. These are the current pressures. With increased numbers coming through, we are at a maximum and cannot go beyond numbers we have at the moment.

Given that we are the largest provider, I am worried about how we can respond to the increased numbers coming through. Over time, we have worked closely with the further education colleges in Cork, in particular, the Cork Training Centre in Bishopstown, where we have looked to share facilities. We believe that that is an option where we could co-locate workshops and labs to benefit both the further education, FE, sector and the higher education, HE, sector. There are multiple other benefits as well. There is the fact that as a TU, we can offer to apprentices who graduate from our university a qualification that is internationally recognised. In addition, and this is a really important point, it allows pathways for apprentices through from level 6 to level 10.

In a nutshell, to answer the Chairman's question, we need funding for infrastructure to deliver the needed buildings, facilities and workshops. As well as this, a closer integration with a strategy around the co-locating and co-delivery of programmes with the FE sector is a wise way to invest in the future of craft apprentices.

**Chairman:** Before I move to another member, how does Mr. Horgan feel we can encourage more females into craft apprenticeships? What does he feel are the factors that are limiting the number of females going into apprenticeships? Young fellows and girls came to me previously looking to get in with an electrician, a carpenter, a plumber or whatever. I would have had to make ten phone calls to get that. Now, there are plumbers, carpenters, electricians and mechanics coming to me asking if I can shove any young fellows their way to go into an apprenticeship. It is either feast or famine. The joined-up thinking is not there at the moment. It is exactly around what Mr. Horgan has spoken about. There are some fantastic opportunities for youngsters now compared to five or ten years ago. I invite the witnesses to comment on that.

**Mr. Tim Horgan:** The world skills competition, which will be held in the RDS in September, is a fabulous opportunity for students to learn about the skills and opportunities that are

available. There have been some positive moves including, for example, the link on the CAO website to apprenticeships, although it needs to be further integrated. The link allows students to click on to the *apprenticeship.ie* website, which is a huge improvement as it allows employers to feature vacancies and to link with students. There have been other improvements and the new apprenticeship office will guide us into the development of a single apprenticeship system. It is getting the message out there. As a university, we feature apprenticeships in our prospectus.

There is a cultural issue around the apprenticeship and for parents, encouraging students to go to university is probably an easier pathway than encouraging them to go into an apprenticeship. That said, there is also an opportunity with the technological university sector offering pathways for apprenticeships through to level 10. That is a key point and is really important. Parents can see that industry is cyclical, especially the construction industry and if students begin an apprenticeship as a plumber, they do not know where that industry will be in five years' time and the student may end up unemployed. However, by offering pathways through, as we do, to add-on degrees at level 7 and beyond, we enable apprentices to avail of new add-on opportunities.

**Ms Marian Duggan:** An important aspect of apprenticeship is the employer. The employer has such an important role to play and must be supported. Often employers have difficulty in releasing staff in order to partake in apprenticeship programmes. Extra support must be given to employers, particularly with a view to increasing the number of females that they attract into apprenticeship positions and into apprenticeship education. Another important point, as Mr. Horgan has outlined, is that the new generation apprenticeship programmes and the new opportunities at higher levels for apprentices, from level 7 up to level 10, is a means of attracting more females into this education route. That must be welcomed in the context of increasing diversity and increasing female participation in apprenticeship.

**Chairman:** In the context of your role as diversity and inclusion officer, as Ms Duggan knows, there will be an influx of Ukrainians to Ireland over the next period. We had a discussion in private session earlier during which Deputy Ó Cathasaigh suggested that this committee seek clarification from the Departments of Education and Further and Higher Education, Research, Innovation and Science on the situation with regard to Ukrainian students arriving into Ireland. What work has the TU sector done with the Departments in general on this and what contact has it had with the Department of Further and Higher Education, Research, Innovation and Science?

**Ms Marian Duggan:** My own institute is running an international refugee week this week, the purpose of which is to raise awareness of the difficulties and barriers that refugees, asylum seekers and migrants face in both accessing and continuing on in higher education. I welcome that the Department has decided that Ukrainian students are not going to be classed as international students and will not, therefore, have to pay higher fees. That is an important response for Ukrainian refugees. However, other refugees from places like Syria or Iraq are deemed to be international students so a measure that has been put in place to deal with this, including at my own institute, is the sanctuary scholarship. Sanctuary scholarships, which are available across the sector, involve institutes of education liaising with charities involved in supporting refugees to enable refugees to engage in higher education. I also welcome confirmation from the Department as of yesterday that Ukrainian refugees will be entitled to claim SUSI grants. However, I hope that the measures being put in place for Ukrainian refugees can be extended to all refugees who find their way into higher education here in Ireland.

**Chairman:** I have a number of questions for the other three witnesses, the first of which is on the reform of SUSI. My view is that the system should be turned inside out and upside down to ensure real reform. Where would the witnesses start on the reform of SUSI if they had a blank sheet of paper?

It is my belief that every student should face as little cost as possible while pursuing third level education but they should give something back in return. A significant number of nurses and doctors emigrate when they qualify, for example. Should the State ask for something in return from graduates, like asking them to stay and work in the country for three, five or ten years? Is there any merit in such a proposal?

**Ms Bríd Horan:** If I may, I would like to come back to the Chairman's comment on females in apprenticeship because he touched on something very important. Gender stereotyping goes beyond apprenticeship. My career in the ESB demonstrated to me that it is a real issue in the context of craft apprenticeships and I know how difficult it is to overcome that. The 30% Club and DCU worked together over the last few years to build an internship for trainee teachers. This may sound counter-intuitive but they set up paid internships over the summer to enable trainee teachers to go into industry where they could experience all aspects of working in science, technology, engineering and mathematics, STEM, careers. That was done because we feel that teachers and career guidance need to adjust to modern society and the modern career options. It is not just about technology but about the broader areas and about gender stereotyping.

An issue that is very relevant to this committee's work is the human capital initiative. This is competitive funding made available through the National Training Fund. It is a really good initiative but the areas of education and nursing were excluded from it. I do not see why that should be the case because initiatives related to how we are training our teachers can have a really long-term impact on all of these issues and people working in the non-traditional areas would accept that.

In relation to refugees, I cannot comment in depth on the issues but I know that DCU has already mobilised a virtual working group to look at the issues for the institution and for the refugees and how we can moderate that. We have been an initiator of the concept of the university of sanctuary and as Ms Duggan has said, this is really important for all refugees. Obviously we are acutely conscious of it at the moment and there will be a challenge for all institutions in this space but we proactively are engaging on it. Again, this speaks to the agility and adaptability of the higher education sector. Without waiting to be asked, the institutions are looking at what they can do and how they can make sure that they cope as well as possible and cater for the new arrivals as well as possible.

That whole question of gender stereotyping is fundamental because 50% of the talent is female and we need to use that across all sectors. I am passionate about that and I believe that higher education can play a really important role in that respect.

**Professor Mark Rogers:** Before I make a comment on SUSI, I must also emphasise the response to the refugee issue in Ukraine. I have a couple of comments. The local response is one thing, but if we are taking in a whole range of refugees coming from Ukraine, it is very likely that the numbers involved could be very substantial. The locations in which they end up may not be determined by them particularly. It is very important that a national approach is taken with some sort of warehousing or portal, because we want to be able to align the students with where they are in terms of access to the education. This is something we have certainly

been pushing.

The other comment I would make is that it is not clear to me yet, and I have written to the Minister but I have not had clarification, whether the Ukrainian students who were already in Ireland will fall into the same group now and be eligible for the EU fees. We must recognise that there will be Russian students, Belarusian students and others, who are also being impacted, and we must be very compassionate in how we manage those students too.

With regard to SUSI, I agree that the ongoing review is welcome but, I suspect, is not radical enough. There is a simple reality around recognising what it costs to go to university, not just the fee component but also the living costs. If we want those students who were striving to get to university to go, then we must recognise that cost. All of the areas by which the grants are applicable, including the salary and income thresholds, really do need to be radically looked at in terms of what is a real issue. To get a special rate grant a student must be on very low income. Clearly that is not sufficient.

**Dr. Aedín Doris:** On SUSI, I agree about the adequacy levels. I do not have any particular insights into the mechanisms it should use to reform those, but they do need to be aligned carefully with the real-world experience of what it costs to go to college, and to be able to do that while not working. There are many courses where it is just not possible to work when undertaking a course. That should be perfectly possible.

**Chairman:** A parent contacted me about three weeks ago whose third child will be going to university. The family will have a student in year 4, a student in year 2, and now also in year 1. The parent showed me the figures for exactly what it is costing and it is absolutely frightful.

**Professor Mark Rogers:** One of the things that also needs to be looked at is our definition of a “student”. We think of students very much in the rigid terms of full-time or perhaps part-time, but up until relatively recently if a student was part-time he or she did not have access to supports. If we are considering lifelong learning, however, then we really do need to reimagine what it is to be a student and all of the different categories of students. We have individuals who are coming into the university and are taking a module, not necessarily just for the pleasure of learning but as part of their attempt to come back into education. We want to be able to recognise all of that diversity of student learning. We are constrained within the definitions that are used when it comes to how our funding models work. It is critical that we reimagine what it is we think about and what it is we want from the education system. Lifelong learning is one of the big agendas. If lifelong learning is something we want to prioritise then we must recognise that this means we will have a whole different array of students coming with differing needs and profiles. We need to be able to support them all.

**Deputy Rose Conway-Walsh:** This is a very important discussion, but we cannot discuss things in isolation by saying “We are all for this and not for that.” The witness referred to the fact that getting a radical model of SUSI is quite unlikely but we have all made substantial submissions here. This is why it really concerns me that reference was made to leaving the highest fees in Europe here, that we are okay with that and with taking that in isolation from all of the other costs involved in going to third level education. A number of people have to go to St. Vincent de Paul to pay their fees. We must be careful about this. Yes, we need to have substantive discussion and we need to examine the raw data around all of this. We need an explanation as to why 11 countries do not have any fees and why Ireland has the highest fees in the EU, as it stands, and we need to see how we can address it. The Union of Students in Ireland has advocated for a long time on student fees. To dismiss their concerns around student fees, access

and completion is not the way to go. Do the witnesses think it is okay that Ireland would pay the highest fees in the EU?

**Ms Bríd Horan:** Deputy Conway Walsh has made a very valid point but it brings us back to the overall State funding of higher education. I will give the committee just a few numbers. Excluding research, the public expenditure on higher education in Ireland is .6% of GDP. The OECD average is 1%. That is the State input into it. In the absence of that level of State funding then it is understandable that our fees are going to be higher. This is a three-legged stool.

**Deputy Rose Conway-Walsh:** That is why I am saying that we need to discuss it in the whole context. We have an opportunity here to get this right.

**Ms Bríd Horan:** Absolutely.

**Deputy Rose Conway-Walsh:** We cannot just say that students will be the cash cows for this. Even in terms of student accommodation, we know what is happening with the high-end student accommodation that is being supplied to bring the money in, because this is filling a gap also. This is why our core funding is so important.

I absolutely and 100% take what the witnesses have said about lifelong learning, but rather than have a whole plethora of initiatives where the sector follows the funding, the sector should have this in its core funding to recognise that lifelong learning makes an enormous contribution; why would we not invest in it when we get a ninefold return? When one is making choices and doing cost benefit analyses, there are very few other places one can put that money into the future and be guaranteed a nine times return. I am passionate about this. I would not like us to go away today thinking that everything is okay with us leaving the fees as they are.

**Ms Bríd Horan:** I do not believe that anyone is saying we are all okay with leaving fees as they are. We are saying that if we pose the straight question, as Senator Byrne has said, of reducing the fees or adjusting SUSI, then we should adjust SUSI but it is not a zero-sum game nor should it be. I would highlight that the underspend relative to other countries places Ireland's system in a very stressed position. The student accommodation does not fund any other activity. The charges made for student accommodation are to pay for the costs of actually building and running the student accommodation. That is not a source of income *per se*. The State invests .6% of GDP. The UK invests 1.6%, which is almost three times the amount-----

**Deputy Rose Conway-Walsh:** Yes, It is very important.

**Ms Bríd Horan:** -----yet they still have those levels of fees. The UK is not in the EU so they do not come in for comparison anymore. Ireland is underfunding the sector, as a State. I appreciate there are all of the other demands on funding, but the higher education investment we are making is feeding into our health services, our education system and the building of houses and town planning and so on. I could go on.

**Ms Marian Duggan:** We must also take into account that the technological university sector is going through phenomenal change. Demands are being placed upon it by the Government around the outcomes that would be achieved by this process. We must recognise that funding is needed to be able to achieve those outcomes. That transformational change requires funding. I also made reference to the fact that we are awaiting the OECD report on academic contracts and the organisational structure of the technological sector. That will also be a drain on the technological universities and funding will need to be provided to address that.

**Deputy Rose Conway-Walsh:** I want to ask about the research because so little goes to technological universities. However, we now have an opportunity. I am particularly interested in the Atlantic Technological University and the capacity there for competing in research and development. What do we need for that and how do we do it? We must make sure that a bigger share is going to the technological universities and along the western seaboard.

**Ms Marian Duggan:** The technological sector has been the poor cousin in the context of securing funding from a research and innovation perspective. Our allocation has been a static amount of €5 million since 2019. We are asking that to be increased to 5% of the recurrent grant in the first place and then to bring it up to 10%, which our colleagues in the university sector get. We are asking for parity of esteem in the university sector and in terms of the allocation of funding to it.

The technological university sector is engaged in applied research and it engages with local industry, which fuels regional development. We have proven ourselves in this respect and we want the opportunity to expand on that. We are hamstrung in the sense that we are coming from a small base. If that was increased it would allow us to do more regional development work in our applied research with local industry.

**Deputy Rose Conway-Walsh:** I agree with every word of that. If we look at the Central Statistics Office, CSO, figures the inequality gap is three times wider than it was ten years ago.

**Senator Malcolm Byrne:** I would like to echo Professor Rogers's point that we tend to think of students as being in a particular age cohort so I should take out my student card and point out that I am one of those impacted. It comes to questions about participation rates and Deputy Conway-Walsh's question about what makes Ireland different. We should be proud that we have one of the highest participation rates in higher education, much higher than many other European countries and that presents significant challenges as well. Do we place too much emphasis on higher education and not enough emphasis on further education and training? I get that there have to be elements of crossover. It is particularly a question for the TU sector, which will operate as a hybrid of the two. Fears have been expressed that in the move from institutes of technology to TUs, much of the traditional support may be lost.

**Mr. Tim Horgan:** I might take that point. The institutes of technology sector was our baseline before TUs. We will not change when it comes to apprenticeships. We cannot do so because it is in the TU Act and it is part of our remit. I cannot speak for the further education sector but I work closely with it and from a TU perspective there are huge opportunities to work even more closely with the TU sector to evolve new apprenticeship models and meet the targets that have been set. As I mentioned previously, we must provide pathways through to a university qualification for students who are coming from the FE sector. The opportunities have been there in the past and we have worked with the TU sector. Some of our best students have come from that sector, which will not change. We have an opportunity to enhance that co-operation and co-development of new programmes and buildings and the sharing of those facilities.

**Ms Marian Duggan:** I agree. I will give the anecdotal example whereby on hearing that we had secured technological university status a local further education provider in Limerick expressed concern that this might limit its progression opportunities for students. We have been careful to continue to work with the further education sector to show that we want to provide education for the whole region so that somebody who comes into the further education space can move and progress on to technological university status and achieve those higher level rewards and degrees. There are opportunities, as my colleague referenced, to continue on that

close relationship.

**Ms Bríd Horan:** The integration of apprenticeships into the CAO model was mentioned earlier and that is to be welcomed. I also mentioned career guidance, which is an important area we need to focus on. Culturally, we have undervalued other areas of work beyond professional qualifications. There are huge opportunities for collaboration between the TUs and the traditional university sector – if I could describe DCU as part of the traditional university sector even though we are only 40 years old. The Cassells group would have encouraged this and in other work I did with the HEA we sought to encourage inter-institutional collaboration between the institutions at third level and those in further education. We have to be much more collaborative. The work we do with Enterprise Ireland, which Ms Duggan and Mr. Horgan mentioned, is important for apprenticeships and for all our programmes. We are working actively with Enterprise Ireland on DCU Futures, which is one of those human capital initiatives to look at the skills that are being developed and the education which Professor Rogers referred to. We are educating people for a future, not just for a set of skills. We are good at that collaboration in Ireland but we need to get better at it.

**Senator Malcolm Byrne:** The complexity of the debate around participation is important. It is about allowing those pathways from further education into higher education and in the reverse as well. My worry is that there is a simplistic view around the debate that we would abolish the €3,000 fees and that will dramatically increase access. It has to be around ensuring that pathways and access programmes are going into specific communities and that there are support programmes for those areas. The big problem in the State is that, as everyone knows, there are areas in this city where there are 99% to 100% participation rates in third level education and there are other areas where those rates are under 10%. Those rates have been consistent over a long number of years. We can see those trends around the country. The Chair and I can look at Wexford and we know the exact areas concerned. They can be predicted without even doing any research. The worry is that the debate is just centred on abolishing fees in order to increase access but that will not matter to any of those communities. There will be no increase in participation unless we have the reform of SUSI and support for the other programmes.

**Dr. Aedín Doris:** I want to point out that we abolished fees before and it did not make any difference to access. The reason for that is the bottom 50% do not pay fees so it will not make any difference to them. It will make a difference to families who are struggling. In particular, as I said and as the Chair mentioned, if you have multiple kids it will make a difference to your family. I would prefer option 1 to option 2. Senator Malcolm Byrne framed his question around a choice between prioritising either a reform of SUSI or getting rid of fees. That is why we answered in the way we did.

**Senator Malcolm Byrne:** I would love both but it is about priorities.

**Dr. Aedín Doris:** In our experience it tends to be a scenario where one or other must be chosen. That is the way things have worked and more funding has been given in one direction at the expense of another pot. That is one of the reasons we responded like that.

**Ms Bríd Horan:** I refer to the point that was made about the west coast. I was born in Donegal and sadly I left it a long time ago. The issues are different if you live on the doorstep of DCU, UCD or NUI Maynooth. For many people in this country, the main issues are accommodation and travel costs. The fee is relatively minor. We must consider all those factors in any reform. We must be very careful. I used the word “targeted”. Any reform must be targeted and well thought-out.

**Chairman:** I will add in food as another issue in this regard.

**Ms Bríd Horan:** Yes.

**Chairman:** Mammies send back bag loads of food. Many Dublin students can hop on a bus home, and no disrespect to them. It is a major cost, however, for many rural students.

**Deputy Marc Ó Cathasaigh:** The Chair has given me flashbacks of the smell of lasagne on the Waterford to Cork bus on a Sunday night. I plead the Fifth on whether it was me. This brings me to my first point. We were talking about the impact that working has on students' grades. The south-east and north-west regions have traditionally suffered from many students travelling outside those areas to access third level education. A great transfer of wealth is involved in that. Something I have never seen quantified is the impact that working has on students' grades. Perhaps those data exist, and I have not seen them. I wonder if there are grade implications, for example, if someone from Waterford accesses education in Cork, lives in student accommodation and makes his or her own dinners and whatever else, rather than having the dinner handed to him or her before an examination, the washing done or whatever else. We know that grades follow through into income expectations in later life and this feeds into the discussions we are having about the cost of living. I hope the technological university model will help to address some of the education deficits in the north west and south east, but some students will still choose to travel outside those regions.

Following up on the ICL loans, as well as the social capital concern I raised earlier, we also have a culture of emigration and, hopefully, return. If students have debt waiting for them in Ireland, will that dissuade them from repatriating?

I agree with Professor Rogers on the issue of Ukrainians. For that reason, it is important that this committee addresses how our education system is going to deal with the influx of Ukrainians. Something that should be borne in mind in respect of third level education is that none of us knows how long it will take for the conflict to play out in Ukraine. We are very much hoping that Ukrainian children who arrive here will be seeking to return within a shortish timeframe. However, we can expect people who arrive and access third level education here to stay, and I hope they will stay, which would extend the timeframe involved to three or four years. That must be considered.

I am also conscious that we have only spoken about State funding today. We did not talk about private or philanthropic funding. This speaks to a point Professor Rogers made about the freedom of the third level sector to educate people to access jobs and roles, as opposed to doing applied research. If private funding is accessed to design a course, is that going to limit our education outcomes? This is much too broad a question to address now, but what role is private and philanthropic funding playing in our third level sector? Is that affecting the educational outcomes and the decisions we make in respect of designing educational outcomes as well? That is more than enough questions for five minutes.

**Ms Marian Duggan:** I am conscious that when we bring in students they bring in their whole person. The focus of what we are talking about here is reforming the SUSI grant, and that will help students from the perspective of dealing with some of the financial difficulties they experience in accessing higher education. In coming to higher education and bringing their whole selves, we must recognise that they need support, especially if they are away from home, whether that means they are away from their home region or home country. We have had a system whereby once-off extra funding may have been provided, for example, in the form of



student assistance funds. We have also had mental health and well-being funds. That funding has been once-off, though, and we need more multi-year funding to allow us to help students to continue to participate in and graduate from third level education.

**Dr. Aedín Doris:** Regarding the issue of students having to travel and whether that impacts on their experience, it is hard to get good data on what determines student outcomes. I am starting work on a data set, which is the result of a collaboration between the HEA and the Central Statistics Office, CSO. It has earnings data for graduates and is linked to some characteristics, but not very many. We do not have information on the students' home places, for example. I plead for more data every time I speak at a forum like this. We do not have many data to answer many of the questions we would like to be able to answer. If the committee can do anything to push that along, that would be great.

**Professor Mark Rogers:** Without data this is again anecdotal, but I suspect it is the commuting rather than the living that has an impact. Students who live nearer their institutions are perhaps better placed, but the costs are significant. I suspect we have students commuting two hours each way to attend third level education and it is difficult to imagine that it is not impacting their ability to study.

On the questions on philanthropic funding, at an institutional level, there are probably three or four ways in which philanthropy impacts on education. The first concerns the capital programmes. We seek and, thankfully, receive generous donations from individuals and sometimes from companies to support us in pursuing the capital development programmes we wish to undertake. Much of that is about building the capacity we need to support growth and I would argue it is, in part, subsidising underfunding by the Government.

We also have a large cohort of alumni continuously giving small amounts of money. Much of that funding is used to support students in financial need and to give scholarships. A great deal of it, to the tune of several million euro each year in my institution, is going to support students from disadvantaged backgrounds or those who are socioeconomically disadvantaged. We also have some philanthropic donations that sponsor professorships or chairs. We are extraordinarily careful to ensure such funding is not reflected in the academic programmes or in academic delivery. Academic freedom is an essential component of the university and higher education system. In addition, there is also occasional funding of a programme, or at least of students in a programme, which would be quite targeted and not in the same vein. It would be about supporting an industry partner in respect of its training needs within its industry, rather than being focused on creating a broader profile of education in support of that industry.

We are thankful that there are generous donors - individuals and companies - who help us. We are also cognisant of ensuring that in doing so we are undertaking the right programmes and not just taking money for money's sake. Funding must be for a project we value and want and for which we see a strategic need. I particularly welcome that we have a large body of alumni giving small amounts, such as €10 or €15 a month, because that builds up to quite a pot of money and that again helps to underpin ways of addressing the underfunding of the system, through the SUSI grant system, for example.

**Deputy Jim O'Callaghan:** I thank the witnesses for appearing before the committee. The issue of providing secure funding for third level is vital for all of us on the committee. We all recognise decisive action needs to be taken in respect of it in order that we can have a secure funding system into the future.

I wish to raise two issues. The first is the role the private sector might play in contributing more to the fees of students who subsequently work within the private sectors. The second issue is the third option set out in the Cassells report on students paying back something where they have done well and have high disposable income many years after they leave.

I will ask Mr. Horgan in the first instance. The Chairman will remember we had a very interesting visit to the Munster Technological University at the Bishopstown campus. One of the things that struck me was the extent to which apprentices there were learning how to manufacture medical devices and implants for local businesses in which they will subsequently go to work. Is there a formalised mechanism in place whereby the private sector makes a contribution? Does Mr. Horgan think there is a method by which it could be expanded into the future if there is no formal mechanism?

**Mr. Tim Horgan:** There is no formal mechanism but we have explored the possibility of developing laboratories for very specific industries. Again, we have been challenged because we would have to put up some of that funding ourselves and we do not have it. We have gone looking for funding. Maybe we should go again and look for 100% funding. It is very difficult, however, to sell that to industry when it looks at our plans and we do not have a clear view around the State funding element. Much of the infrastructure would need to change before we could get to that point. We need some capital investment. Once we get capital investment, there would be a significant opportunity for us, and we have discussed this, to say to those companies there would be an opportunity to go even further and increase the skill sets based on the needs of those companies in the next five to ten years.

**Deputy Jim O'Callaghan:** Mr. Horgan is saying that is not feasible until such time as secure and long-term viable funding is provided by the State so that the private enterprise will be aware of that.

**Mr. Tim Horgan:** Our infrastructure as it is needs to be upgraded. We need to get it to a steady state where we can then bring in the companies. If we were to bring companies in to show them the infrastructure we have currently, it would not entice them to invest because of the nature of the facility that is in place. That would need to be upgraded and, in tandem, there would be a small possibility of getting private sector funding in for certain elements.

**Deputy Jim O'Callaghan:** I thank Mr. Horgan. I will ask Ms Horan a question in respect of the third option in the Cassells report, that consideration should be given to requiring students who have gone through third level and done extremely well out of it, and who after the age of 40 have high levels of disposable income, to then repay the fees. Is there any appetite for that in the third level sector? Does Ms Horan believe it is too close to being viewed as loans for courses?

**Ms Bríd Horan:** There has been very little discussion of that option. I have not heard about any appetite. If the structured approach that was outlined under the income-contingent loans was investigated in depth, that would have possible attractions. The sector itself reacted negatively to it, but that was following political and student reaction to it. The Cassells group was made up of representatives of the sector and there was quite a strong consensus view based on the international research and experience that income-contingent loans were equitable and manageable.

We were not suggesting that any other country's model should be copied but that a model should be developed for this country, recognising the issue, for example, that was mentioned by

Deputy Ó Cathasaigh around emigration, and all of that should be built into the model to make it workable for this country. That would be a very important aspect.

In terms of the role of the private sector, as Professor Rogers said, we all seek to attract funding directly from private individuals and, again, we are very grateful for that kind of support. Wealthy individuals obviously can contribute more, but funding also comes from our former students and other friends of the university. That money is used to support our activities directly and, in particular, to support access for less privileged students and support for them while they are in college.

With regard to people coming from different locations, even if they are living near their institution, I have been shocked to hear the word “lonely” used quite a lot in recent times about students. Sometimes, it is not just about practical supports; it is that they are feeling lonely. There is evidence that the demand for counselling services, for example, has doubled in some institutions. We need to be concerned about all aspects of the well-being of students, whether it is the lasagne going back on the bus on Sunday night or ongoing personal individual supports.

As Ms Duggan said a number of times, we need multi-annual secure funding so that we can build up those resources within the institutions. It is not for want of trying to get private funding. We have corporates as well that support particular programmes and particular investments. At the end of the day, however, the State is, in my view, the core underwriter of higher education. I am really hoping the debate in this committee will tackle that fundamental issue.

**Deputy Jim O’Callaghan:** I thank Ms Horan very much.

**Chairman:** I thank the witnesses for coming here today for the discussion, which has been very productive. Even though we were low in numbers, it was a very good discussion all the same. I very much appreciate their contributions. I know it is some people’s first time appearing before the committee. The meeting is adjourned.

The joint committee adjourned at 1.27 p.m. until 11 a.m. on Tuesday, 29 March 2022.