



**Investing in Talent and Innovation
to support
National Recovery**

A Pre-Budget Submission on Behalf of Our Member Universities

June 2021

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Summary Overview

As Ireland plots its recovery from Covid, it is clear that investment in the nation's talent and innovation will be fundamental ingredients of the country's revival and future growth. The impending changes in the international corporate tax regime, combined with post-Covid, post-Brexit effects, have further heightened the importance of our high-skills talent and innovation base as economic drivers of the recovery.

The universities are core partners in national recovery. We create the knowledge base and produce the high-skills talent that underpins inward investment and economic growth. The high-growth sectors – ICT, med-tech, biopharma, agri-food, digital and data science – are closely linked with our universities and support regional and national development. These sectors have shown their critical importance in sustaining the national tax base during the Covid crisis.

We propose a 5-part investment package for higher education and research in Budget 2022 to enable the sector to build the talent and innovation base for the future. This encompasses **€418m** in **recurrent** funding and **€490m** in **capital** expenditure.

1. **Core:** An investment of **€155m in core recurrent** funding and a further **€290m in capital** funding to support reform, address quality-related issues, widen access and participation, support flexible provision and the student experience and to strengthen digital provision and cyber security.
2. **Talent:** An investment of **€83m** to meet key skills needs and to cater for additional places to sustain the talent pipeline and embed lifelong learning for a high skills knowledge economy.
3. **Innovation:** An investment of **€78.5m in recurrent** funding and a further **€200m in capital** funding to produce breakthrough research to drive economic growth and to prepare Irish society for the challenges ahead. This will provide cutting-edge facilities, equipment and talent support.
4. **Inclusion:** An investment of **€64m** to support the continued expansion of access programs and to provide enhanced student supports for all students but with a particular emphasis on vulnerable and disadvantaged students. This also includes funding to support the implementation of the consent framework and to support vulnerable researchers.
5. **International:** An investment of **€37.5m** to support universities in harnessing opportunities to develop international partnerships and enhanced mobility via the European Universities Initiative, the Erasmus+ student mobility programme and an international promotion campaign.

The Covid Legacy

The impact of Covid-19 in Ireland has been profound, as it has been across the globe. As we now seek to recover from the economic impact of the pandemic, the fiscal backdrop is challenging with significant legacy debt arising from the substantial economic supports required to respond to the pandemic. The numbers in receipt of employment supports, although declining as the economy continues to reopen, remain significant. Strong economic growth and an early return to full employment must remain key priorities for national recovery and development.

We now know that the economic impact of Covid-19 has not been equal across society. The pandemic has had a disproportionate impact on younger workers and workers with lower levels of educational attainment. The unemployment rate in the 15-24 age cohort rose to 46% in the last quarter of last year when PUP recipients are included. The numbers in paid employment without a third level education fell by 10% over the year to Q4 2020, while those with a third level qualification actually grew over that period. We also know that issues with digital literacy and access to the IT equipment and broadband service which were essential to remote work and/or learning during the pandemic disproportionately affected already disadvantaged sections of society.

The pandemic is also likely to leave a lasting legacy on the world of work. The workplace, which was already undergoing change as a result of a 'Fourth Industrial Revolution' driven by knowledge, technology and information, has seen that change fast-tracked by the pandemic. The 'normalization' of remote working has meant that the competition for talent is likely to become more intense. The disruption caused by the pandemic accelerated the emerging digitalization and automation of work, trends that have eroded some jobs while increasing demand for high-skills jobs. It has highlighted the importance of knowledge and innovation as businesses had to react, innovate and respond to survive and/or thrive.

As we now seek to recover from the impacts of the pandemic, it is clear that the more knowledge intensive and high-skills sectors of the economy showed greater resilience to the negative impacts of the pandemic. This resilience is evident in Ireland's overall income tax falling by just 1% in 2020 despite the substantial fall in employment, a remarkable statistic given that in excess of one million people were in receipt of some form of employment supports at various stages during the year. This represents a strong endorsement of the importance of talent, innovation and knowledge to Ireland's future economic development and competitiveness. Our talent, our skills and our capacity to innovate are the fundamental assets that we have as a small open economy on the edge of Europe.

It is also clear that the national response to the pandemic must be cognisant of and seek to address the social inequalities that were exacerbated by the pandemic in order to ensure social cohesion and a fair and sustainable recovery for all. We also need to recognize the significant contribution of research and researchers who brought their knowledge, skills, expertise and global networks to address the challenges that the pandemic presented.

Universities as Partners in Recovery

Our universities and our higher education system are uniquely placed to support the national recovery and we stand ready to support government in this important work.

Universities will draw upon and build on the strong partnerships that exist with government and its agencies, businesses, the third sector and broader society to work together to support our national recovery and for the common good. We will also draw upon our international partnerships to deliver an internationally connected recovery and ensure that Ireland remains an attractive destination for talent, innovation and FDI. Our network of universities will ensure that a recovery centred around our universities will deliver regionally as well as nationally.

We are well placed to respond to the short-term skills needs of a post pandemic world, which in turn will be significant in shaping medium to longer-term skills responses, and to the demands of a high-skilled knowledge economy. As articulated by Ibec, it is no longer sufficient to train workers just to meet current and acute skills deficiencies; they must also develop the capabilities to keep learning throughout their lives and adapt to an ever-changing landscape¹. We will be leading contributors to the Government's new 'Skills Pact', developing mainstream and creating new pathways and opportunities for upskilling, reskilling and lifelong learning. This will be essential in sustaining well-paid employment and thereby generating the resources to fund essential public services. We will continue to deliver the talent pipeline for a knowledge economy and drive innovation through world-class research.

Our universities will play a leading role in the digital and decarbonisation transitions for our economy and society and ensure that as a nation we can respond and thrive in the face of the major environmental, sustainability and social challenges we face.

We also remain fully committed to widening access to higher education, addressing social and economic inequality and driving social cohesion.

A Sector Under Strain

In the university sector the impact of the pandemic has been extensive and the challenges, financial and otherwise, immense. Notwithstanding those challenges, the pandemic has provided the university sector with the opportunity to demonstrate and underline its importance and value to Irish society. Universities and their staff have been to the forefront of Ireland's response to the pandemic. Universities have underlined the importance of knowledge and innovation in meeting the economic and social challenges we face. The sector has demonstrated real agility in responding to the challenges of online and blended learning, in providing additional university places, in supporting students through their university education and with researchers across the Irish university sector galvanising into immediate action, contributing to the national emergency response in every way possible as the pandemic developed. In addition, and with welcome support from government, the sector has demonstrated real resilience in its capacity to manage the severe financial challenges presented.

¹ Ibec Smarter World, Smarter Work campaign: <https://www.ibec.ie/influencing-for-business/ibec-campaigns/smarter-world-smarter-work>

The financial impact of the Covid-19 pandemic has, however, further highlighted the underlying precarious funding environment facing the sector and related concerns around long-term sustainability. It has put significant strain on a sector which had already been struggling under the financial pressures associated with a sustained period of underinvestment. This has been exacerbated by the rapid growth in student numbers.

Covid-19 continues to present very significant financial implications for universities. Commercial revenue streams, which have become a fundamental element of the university sector funding model, have been very significantly impacted. The impact in the 2020/21 financial year has been even greater than in the prior year. Combined reductions in commercial income in 2019/20 and 2020/21 across the IUA universities are now projected to reach c. €270m. The on-going additional costs associated with the impact of Covid-19 also remain significant even after Covid-related savings in utilities, travel, consumables and conferences/events etc. are taken into account.

Estimates prepared by the eight IUA member universities indicate a combined projected deficit of €40m in 2020/21. These deficits are net of very significant cost containment and mitigation measures which have been applied across all universities. Such measures to address short-term financial pressures are generally not in the long-term strategic interests of universities and pose real risks for the longer-term impact on quality and sustainability.

Universities will continue to find cost efficiencies where necessary but, even if desirable in the context of recovery, the capacity for savings is limited as salaries are largely determined by government and service demands continue to rise due to demographic growth.

The IUA has made a submission for supplementary funding in 2021 to the Department of Further & Higher Education, Research, Innovation & Science for a package of supports to meet on-going Covid related costs within the sector similar to that provided by government in 2020. That package of support measures sought funding amounting to €126m for the university sector.

The financial impact of the COVID-19 crisis has highlighted the need for the State to urgently deliver on a long-term funding solution as identified in the Cassells Report in order to support the long-term sustainability of the higher education sector in Ireland.

A Valued Investment

The value of investing in our universities is clear, however, and was demonstrated in the 2019 study by Indecon International Economic Consultants '[Delivering for Ireland - An Impact Assessment of Irish Universities](#)'. That report demonstrated an annual €9 billion contribution to the economy by the then seven universities represented by the IUA, a very significant return for the State's investment of approximately €1 billion.

It also found that the universities deliver a net monetary return to the State in addition to their core 'public good' contribution in the form of skilled graduates and world-class research and innovation. Indecon reported that a single year's cohort of students deliver a net return to the State of €1.6 billion over their lifetime. In other words, investing in universities is not just the public good it is recognised to be, it also provides a long-term return on investment for the State.

The demands on government expenditure in Budget 2022 are undoubtedly formidable. Universities recognise those competing demands but, in doing so, also point to the pivotal role that the third level system has in supporting the national recovery both in the immediate and in the longer term. Ireland's talent is the key competitive advantage that we have as a nation and universities are critical to the supply of that talent. That, combined with the role of universities in underpinning the research and innovation base for the knowledge economy, makes the sector a core partner in economic recovery and in social and cultural development.

The significant surpluses in the National Training Fund estimated at c. €800m also need to be leveraged to the greatest extent possible to provide incremental funding to the HE sector. A key recommendation of the Review of the National Training Fund was to utilise the NTF to support investment in higher education and also recommended that investment should be prioritised in areas of identified skills needs, funding complete programmes in those areas.

The National Skills Council, in its Statement of Priorities Summer 2020 on the impact of the Covid-19 pandemic prioritised green economy and digital skills, leadership and management development skills to enhance SME productivity, skills to respond to the challenge of Brexit, and building skills on a regional basis. Given the sectors key role in providing the talent pipeline and skills needs for the economy and in light of the indications in the National Skills Strategy 2025 that the areas of greatest skills demand are for Professionals, Associate Professionals and those with multilingual skills, investment in the university sector aligns extremely well with these recommendations and priorities.

Priority Funding Requirements

Now is the time to invest in our universities and the IUA is calling for a range of measures in Budget 2022 with a priority focus on investment in core funding supported by focused funding across the 4 key pillars of Talent, Innovation, Inclusion and International identified in the Statement of Strategy of the Department of Further & Higher Education, Research, Innovation & Science. The figures referenced below relate to the full higher education sector and not just the eight IUA member universities unless otherwise indicated.

Investing in Core Funding

Core funding, capital and recurrent, is fundamental to the quality and success of our higher education institutions. It is the 'bread and butter' funding that underpins the quality of teaching, learning, research, the student experience and effectively everything our HEI's do. It also supports the capacity for reform and provides the capability for innovation and agility, the ability to react and respond to student needs as well as to wider economic, labour market and societal needs.

Core funding in the university sector was decimated in the years following the financial crisis. Since 2017, the government has begun the process of restoring funding to third level. However, much of this funding has been absorbed by 'stand still' requirements such as providing for salary increases to existing staff under national pay agreements and the cost of additional student places. In addition, the increased investment has largely been for additional or targeted initiatives and so has done little to address the core underlying funding situation.

It is essential that Budget 2022 begins the process of reinvesting in higher education in a real and meaningful way. In particular we are seeking the following:

Recurrent Funding

- An additional investment of **€75m** in core funding to address quality-related issues with a particular emphasis on widening access and participation including for those with intellectual disabilities, flexible provision and supporting the student experience. This represents an additional investment per student of c. €350 and is consistent with the acknowledgement by An Taoiseach at the IUA Future of Ireland event in May 2021 that the current level and nature of funding is problematic and that *'the solution to this will not be found in once-off competitive new funding.....and that ...we do have to have a solid core base of revenue funding from the State that underpins quality in our third level institutions'*.
- **€80m** to meet known cost increases including those arising from 'Building Momentum' national pay agreement and other centrally controlled pay costs across the third level sector.

Capital Funding

As a first stage in the 10-year multi-annual investment which we proposed in our Submission on the Review of the NDP, we propose the following in Budget 2022:

- A green campus investment fund of **€60m** for the higher education sector. This is an absolutely essential enabling measure for universities and other HEI's to provide facilities capable of facilitating a fit-for-purpose student experience in the 21st century and to contribute to the climate change objectives of government.
- A digital investment programme of **€50m** to enable the higher education sector to build digital capacity, to provide a learning experience fit for purpose for producing graduates in the digital age and to enhance the student online experience. This should include specific funding to support higher education institutions in managing Cyber risk.
- A capital growth fund programme of **€170m** aimed at addressing needs across the higher education sector in respect of academic facilities, support infrastructure and student accommodation as a result of the growing student population forecasted over the next decade.
- An increase in devolved grant funding for minor works of **€10m** to help address urgent health & safety, upgrade, upkeep and renewal requirements across the sector bringing the total devolved grant allocation to €50m for the 2021/22 academic year.

In addition to reinvesting in core funding, we are also calling for investment in the following priority areas of strategic importance based on the priorities set down by Minister Harris.

Investing in Talent

Producing the talent to sustain a high-skills knowledge-based digital economy will be essential in delivering future economic and social progress. Making higher education widely accessible must continue to be a priority. There is also a real opportunity to leverage the progress made in digital and remote learning during the pandemic to build new capacity in upskilling and reskilling those already in the workforce.

We are therefore seeking investment in Budget 2022 in the following areas:

- **Responding to skills needs**

As in the financial crisis ten years ago, the Covid-19 pandemic has highlighted the vulnerability of those in low skills employment and those without access to traditional full-time higher education. In contrast to the financial crisis however, the current crisis does not have such a strong structural dimension and there is not a need for a major reconfiguration of skills infrastructure and skills policy priorities. Rather, provision to respond quickly, utilising and adapting existing delivery mechanisms is needed and should be supported. The Covid-19 pandemic has shown that universities can and do deliver higher education programmes in remote, hybrid and agile formats.

We now need to join these dots and make it possible for all those who would benefit from upskilling and reskilling in higher education to do so, at undergraduate and postgraduate levels, through greater investment and flexibility in state funding models. This would allow both students and HEIs access to and capacity to deliver higher education programmes in part-time and flexible ways.

Across the higher education sector, enrolment rates for part-time/flexible learning continue to fall short of national targets with knock-on consequences for attempts to boost lifelong learning. This is reflective of part-time/flexible study being effectively disincentivised in the current funding model. By mainstreaming part-time/flexible higher education and making it more accessible, including to a more diverse range of students, the universities will contribute significantly to the success of the Government's new 'Skills Pact'.

Irish universities are developing a new suite of micro-credentials, designed with enterprise, targeting the upskilling and reskilling needs of people in employment, changing career and re-entering the workforce. Our micro-credentials are particularly targeted in priority areas such as digital transformation and skills to support the green economy.

We propose:

- A multi-annual, **Flexi-Skills investment programme** of €100m over 5 years² with a first-phase investment of **€20m** in year one to enable 2,000 students to pilot this part-time/flexible study initiative. This would support Ireland's competitiveness in responding to surging demand, driven by rapidly changing demographics and labour market skills needs, and by the wider benefits for all of high-quality lifelong learning. This includes, for example, the potential mainstreaming of successful features of parallel schemes such as Springboard+, across HE programmes. It would provide transformative opportunities for a diverse range of students who have commitments that mean they cannot participate in full-time education, including those actively searching for work who have up/reskilling needs and people with disabilities or caring duties.
- An **Executive Apprenticeship Scheme** targeted at Levels 7 to 10 with a year 1 allocation of **€15m**. This is in keeping with the Programme for Government commitment to support non-traditional apprenticeships.

² Based on €10,000 per student per year

- An agilely administered, **€10m voucher scheme** over 5 years with a year one investment in 2022 of **€2m** to support and incentivise uptake of **micro-credentials** by 5,000 learners in targeted priority areas. Each voucher would be worth €2,000 over the 5-year period allowing recipients the capacity to accumulate micro-credentials over the 5-year investment period.

This investment could be funded from the National Training Fund.

- ***Funding to support and promote student volunteering***

Volunteering provides an effective means of developing transferrable skills while at the same time building civic responsibility and social cohesion. Significant efforts have been made in supporting and promoting student volunteering in recent years with the establishment of StudentVolunteer.ie with seed-funding from the HEA. It is now proposed to integrate StudentVolunteer.ie more closely with the national volunteering infrastructure in line with the aims and objectives of the National Volunteering Strategy. An outline plan has been tabled with DFHERIS and with the Department of Rural and Community Development in this regard.

We propose a front-loaded investment of **€1m** in 2022 as the first part of a 5-year €4m investment to support and promote student volunteering in line with the National Volunteer Strategy. This will enable an increase in the numbers of active volunteer students from the current baseline of 15,000 to 50,000. This will enable a much higher proportion of the student population to gain hands-on skills and experience across a very broad range of community, social, sporting and cultural projects. The investment will support the Government's regional and community development and National Volunteer Strategy and help underpin Ireland's commitment to the UN's Sustainable Development Goals.

- ***Funding for additional places and demographic growth***

The rate of expansion of higher education since the turn of the century has been substantial. In 2000 there were approximately 127,000 student FTE's enrolled in higher education. By 2020 this had grown to approximately 213,000 student FTE's. That growth, driven by demographic factors and increasing participation rates is expected to continue for the next decade with full time enrolments expected to increase by somewhere between 38,870 and 58,556 over numbers enrolled in 2017.

Much of the growth in student numbers over the past decade has been unfunded with state funding actually reducing year on year for the first half of the last decade. There has been some welcome investment provided for demographic growth since 2017. However, this funding has largely been provided at existing or marginal funding rates which is well below what is required to accommodate the level of growth experienced over such a sustained period of time.

Reduced funding coupled with significant growth in student numbers has seen Student Staff Ratios deteriorate significantly and has raised real concerns over quality and sustainability. It is essential that future funding provided in respect of demographic growth and additional places must reflect that it is no longer feasible or sustainable to accommodate this growth on a marginal basis and a step change in funding is now required to reflect the significant extra investment and costs associated with these additional places.

Funding for demographic growth in recent years has been provided at an average of c. €7,000 per student. This rate needs to more than double to c. €15,000 per additional place for 2022.

We are therefore seeking an additional **€45m** in Budget 2022 to cater for demographic growth across the higher education sector.

Investing in Innovation

Research and innovation will play a key role in the national recovery and rebuilding Ireland's future. Research has a transformative influence on societies and economies, impacting on every aspect of an individual's life from health and well-being to the environment, education, skills development, enterprise, climate change and standard of living.

The Programme for Government clearly outlines an ambition for Ireland to be a leader rather than a follower in the technological revolution. It also prioritises the funding of research to address societal and environmental challenges and to support foundational and discovery research to secure a knowledge-based economy. Yet the envelope of funding invested in research in Ireland substantially lags behind our European counterparts with an additional €350m p.a. of state investment needed to bring Ireland's investment in R&D as a percentage of total government expenditure in line with the EU average of 1.3%, still well below the innovation leading countries such as Denmark that invest twice as much. Expecting to compete effectively with other nations in the absence of investing at proportionate levels is not realistic. It is not just about the quantum of investment, however, but also ensuring a diverse investment portfolio that can achieve the wide range of national objectives that research underpins.

We have set out detailed proposals for long term capital investment in research as part of our [submission to the Review of the NDP](#) earlier this year. Consistent with that submission we are seeking the following in Budget 2022:

Capital Investment

- **Programme for Research in Third Level Institutions**

There is a fundamental and urgent need for investment in research infrastructure in the form of a renewed Programme for Research in Third-Level Institutions (PRTLTI) across Ireland's higher education institutions, which are Ireland's de facto public research system. Providing adequate levels of up-to-date and well-resourced research infrastructure, supported by full time suitably qualified technical staff, is essential to enable researchers accomplish high quality, high impact and innovative research that delivers against national strategic objectives and demonstrably enhances and underpins enterprise competitiveness and societal development in Ireland. The continuous support and maintenance of this infrastructure requires sustainable funding models over the coming decade to remain current and effective. In Budget 2022, a front-loaded investment of **€200m** is required to kick-start a "Maintenance and Upgrade" programme for existing facilities and equipment to provide the capacity to attract, train and retain top talent and provide skilled people to meet industry's current and future needs. A high-quality national research infrastructure enables Irish researchers to compete for, and deliver on, project funding under European Framework programmes (Horizon Europe) and promotes effective research partnership with industry, helping to increase the research intensity of both indigenous and FDI enterprises.

Recurrent Investment

- **Delivering the talent pipeline for the public and private sectors via foundational/discovery research**

Sustained investment in foundational research is needed to support the development of talent and ideas that underpin our public and private sectors and will futureproof our research and innovation system through diverse exploratory research from which future solutions and technologies arise. This is what has carried our country through the financial crisis and the current public health crisis. Directing investment at the Irish Research Council's Laureates programme, modelled on those of the prestigious European Research Council (ERC), will prepare us to respond to the needs of a knowledge-based society and meet global challenges. Talent can only be attracted and retained if individuals can see a national commitment to support researchers on their career pathway, whether ultimately that path takes them into academia, enterprise or the public service. Additional funding of **€50m** p.a. is sought to enhance and expand the talent pipeline via discovery research schemes that will grow, for example, future ERC winners, from early career "Starter" awards through to established researcher "Advanced" awards, building Ireland's international reputation.

- **Societal challenges**

A targeted programme to unlock the innovation and the creativity of our researchers to tackle the challenges that face today's society through the provision of a multi-annual programme of investment with impact at its core is a key priority area of focus for universities. We warmly welcome the recently announced investment of €71m of mission-oriented funding in the National Grand Challenges Programme as part of the National Recovery & Resilience Plan 2021. Such a programme needs to invest in projects of scale, €1m-€2m, led by investigators across career stages that directly engage with research end users and stakeholders including civil society. National policy and future budgets will need to build interconnectivity and scale by working across and in collaboration with other Government departments to ensure research benefits national strategic objectives.

- **Performance-based funding for Research Excellence**

An additional investment in core research support funding of **€28.5m**, to underpin the research missions of the universities, positioning them to attract and retain the talent and FDI required to be a Global Innovation Leader and regain and improve our position on the European Innovation Scoreboard. This would be provided via a funded increase in the research top slice in the Recurrent Grant Allocation Model and would represent a much-needed doubling of the current research top slice to build research excellence. This would represent an initial investment as part of a multiannual investment to address the significant under-recovery of indirect research costs estimated to be c. €180m p.a., of which c. €120m p.a. relates to Exchequer funded research.

In the absence of the Full Economic Cost (FEC) of research activity being covered by competitively awarded funding from the Irish Exchequer, the substantial shortfall in funding for the indirect costs of research is being borne from core funding making the current indirect cost funding regime increasingly unsustainable. This additional investment which would de facto be allocated based on research performance, is critical in maintaining excellence in the Irish system.

Investing in Inclusion and Diversity

It is essential that our recovery is fully inclusive and supports the principles of a fair and equitable society where all our citizens are respected, valued and have access to equal opportunities. In this regard we are seeking investment in Budget 2022 in the following areas:

- **Student supports**

Providing support, be it academic, financial or pastoral, to ensure student success throughout their university education has always been a key priority for universities. The Covid-19 pandemic has created many additional challenges for students and these have been well articulated by the Student & Learner Wellbeing & Engagement Working Group. Investment to provide additional supports to students is now required to address these challenges and ensure that all students are supported to the greatest extent possible.

We are seeking an additional investment of **€50m** in Budget 2022 to meet additional student support costs to provide for an expansion of:

- student hardship funding,
- student health and well-being services,
- access supports for vulnerable and disadvantaged students,
- Digital accessibility supports including IT equipment for incoming disadvantaged students, laptop loan scheme, increased access to digital resources and support to address connectivity issues.

This funding would also provide for enhanced student orientation and reorientation programmes for a generation of students, including new undergraduate entrants in autumn 2021, whose learning pathways have been disrupted by Covid-19.

This programme of enhanced student supports, which represents an investment of c. €250 per FT student will be essential in supporting student engagement and retention initiatives and the student experience for all students.

- **Ending Sexual Violence & Harassment in Higher Education**

Safe, Respectful, Supportive and Positive - Ending Sexual Violence and Harassment in Irish Higher Education Institutions, published by the Department of Education in 2019 provides a roadmap for all institutions to develop a coherent, co-ordinated, and substantive approach towards addressing sexual violence and sexual harassment. The universities have embraced this Framework, and have committed to practical actions, with associated timelines and measurable outcomes.

Appropriate targeted investment is fundamental to our ability to deliver real, timely sustainable cultural change and impact through targeted investment to support comprehensive implementation plans. Investment of c. **€4m** across the eight IUA member universities would support commitments in the current Programme for Government with regard to tackling sexual harassment in higher education and would facilitate:

- oversight of the framework implementation with additional essential dedicated resources for the delivery of targeted initiatives,
- thousands of students each year to engage with practical initiatives for promotion of positive, active consent and prevention of violence or harassment, such as consent training and bystander intervention programmes.

- the evaluation and analysis of the impact of the implementation of the framework initiatives, including reporting as required,
- a dedicated expert Case Manager to act as the central resource for the University to receive and resolve reports of sexual violence and harassment,
- enhanced dedicated counselling support services which would be crucial given the likelihood of enhanced reporting and support requirements arising from the attention on the issue of sexual violence across the sector.

This relatively small investment could deliver real meaningful impact in an area of considerable social importance.

- **Supporting vulnerable researchers**

During the pandemic, many researchers found it impossible to maintain research momentum, particularly those whose research was severely disrupted by Covid restrictions (e.g. involving human participants) or those with significant caring responsibilities. Women are disproportionately represented among this cohort, with the resultant gap in their funding and publications reducing their competitiveness in future bids, initiating a vicious circle.

We are proposing that a support fund of **€10m**, similar to that deployed in support of research staff and students so effectively over the past six months, be introduced to provide research support targeted at those whose research has suffered particular adverse impact due to the pandemic. This represents a modest amount of funding per academic staff member but could make a very significant difference to this cohort by, for instance, allowing them to recruit a PhD student. The impacts would be felt in the quality of research conducted, the students trained, and the re-energising of the research careers of a vulnerable cohort of academic staff in our HEIs.

Investing in International

International relationships have always been important to Ireland and as a small nation on the edge of Europe we have been hugely successful in maximizing the impact of those relationships. Now those international links and relationships are arguably more important than ever and our recovery and future prosperity will be heavily dependent on our ability to continue to cultivate and strengthen existing links and forge new relationships. Our universities are uniquely placed to exploit opportunities in this regard and we are seeking investment in Budget 2022 as follows:

- ***European Universities Initiative***

The European Universities Initiative is a flagship EU programme to strengthen cooperation in teaching and research across networks of leading European universities. Eight Irish HEIs have successfully obtained competitive European funding for these, as part of seven such European University Alliances. It is strategically important that this significant Irish participation be facilitated with adequate resourcing in order to play leading roles in these Alliances, building on the relative regulatory and reputational advantages which already exist.

The Council of the EU (May 2021) recently invited national governments to co-fund their participating HEIs to enable their universities strengthen and deepen this cooperation, leading to joint study programmes, greater cooperation in research and enhanced international competitiveness. Many competitor countries are already providing this.

We therefore request a total investment of **€10.5m** to co-fund the participation of 4 universities, 1 technological university, 1 future technological university and 1 institute of technology for the period 2022-2025. This relatively small investment of c **€3.5m p.a. over a three-year period** will enable Irish HEIs to play leading roles in these flagship European alliances, paving the way for significant innovation in European higher education and raising Ireland's profile and attractiveness as a European leader in higher education, research and innovation.

- ***Supporting student mobility***

The Erasmus+ programme has been enormously successful in promoting and supporting student mobility and remains hugely popular with students. There has been a significant increase in applications by Irish students under the student mobility programme for the 2021/22 academic year with overall applications exceeding 7,000. The European Commission Erasmus+ grant allocation for Ireland for 2021/22, which was modelled on previous years' performance, will however only be sufficient to support approximately 3,500 students. Refusing this opportunity to such large numbers of students would not be in keeping with efforts to support and enhance student mobility particularly in the context of a post-Brexit post-Covid environment. This would also have a significant dampening effect on future student demand, just as Ireland develops its new Higher Education Internationalisation strategy and would be a lost opportunity as increased EC Erasmus+ funding is expected to become available in 2-3 years' time.

It is therefore proposed that the Irish government commit a fund of **€4m** to support this activity, which has been consistently shown to have a significant positive impact on graduate outcomes, including employability. Such a national contribution would be consistent with the co-funding approach to student mobility adopted in almost all other EU countries and would permit approximately 2,500 additional Irish students to benefit from Erasmus+ in the coming year and in doing so help Ireland meet its internationalisation targets.

- ***International Promotion***

International education remains fundamentally important to the higher education sector and has significant potential to continue to make a significant contribution to the Irish economy. Ireland has many advantages to offer international students, including a reputation for high quality education built on a commitment to excellence. We are an English-speaking member of the European Union and have extensive global links through our worldwide diaspora and alumni.

Ireland's commitment to education has ensured that we are home to nine of the world's top ten ICT companies, eight of the world's top ten pharmaceutical and life science companies, and half of the world's major financial services companies. These attributes will count for little if we do not invest in marketing ourselves aggressively as the world emerges from the Covid-19 pandemic. The return on that investment will be significant and will help Ireland to maintain its attractiveness as a destination of choice for international students.

The next international education strategy must include a renewed drive to promote Irish third-level education abroad. This requires a re-imagining and significant upscaling of the promotional efforts including a digital campaign to support the post Covid blended recruitment world and enhance our global reach. This should be done in partnership with universities and other colleges.

We request a **€30m international student recruitment fund** to support efforts in this regard. This will comprise of:

- €20m to deliver an international promotional campaign for the Education in Ireland brand with external/in market expertise as required to strengthen Ireland's positioning within key target markets. This would include an analysis of brand footprint in key markets to ascertain where greater focus is needed. It would involve a digital media campaign to highlight Ireland as an excellent destination for education and research, focusing on the strengths in programme excellence, research impact, employability, and quality of life on our campuses. This is required as we emerge from Covid-19 and compete with other predominantly English-speaking destination countries who are promoting more competitive post study work options and a welcome environment.
- A supporting €10m investment allocated to universities and other third level colleges for their individual recruitment campaigns in accordance with 2019/20 international student numbers.

Pension Funding

The issue of pension funding, which is funded under a separate budgetary sub-head, within the Vote of the Department of Further & Higher Education, Research, Innovation & Science also requires particular attention.

A substantial increase in pension funding for the university sector is required in Budget 2022 to address the rapidly escalating pension deficits in the universities arising from the legislative guarantee provided under S.12(6) of the Financial Measures (Miscellaneous Provisions) Act 2009, the legislation which governed the transfer of university pension schemes to the State.

The most recent projections prepared by the sector identified an overall deficit across the 7 impacted universities of €327m³ at the end of Academic Year 2021/22 and project that this will grow to €508m by the end of AY 2024/25 if pension funding was to be maintained at current levels.

To date universities have been able to absorb the cash flow and other impacts associated with the failure to provide funding at the level necessary to meet these costs. However, the capacity of universities to continue to do so are now highly constrained given the impact of Covid-19 on university finances and given the scale of the rapidly escalating pension deficits.

It is imperative, therefore, that the necessary funding to meet the pension deficits, as provided for in the transfer legislation, is now provided on an annual basis through the pension sub-head as part of the annual Estimates process.

³ This could potentially be reduced to €255m if legacy SPS pension control account surpluses are permitted to be offset.