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Consultation response submitted electronically to ConsultationNTF@education.gov.ie

Consultation response: Proposed Exchequer-Employer Investment Mechanism for Higher Education and Further Education and Training

Thank you for taking the time to review, reflect upon and analyse the position of AONTAS as it concerns the consultation on the proposed Exchequer-Employer Investment Mechanism for Higher Education (HE) and Further Education and Training (FET).

Before responding to the questions AONTAS would like to make a comment that will provide context for the remainder of our consultation response. While **the policy proposal outlined in the consultation package speaks to an increase in the National Training Fund (NTF) levy in order to help fund both HE and FET, the original 2016 policy evaluation report of the Expert Group on Future Funding of Higher Education [Investing in National Ambition: A Strategy for Funding Higher Education](#) only speaks to using this levy for the purpose of ensuring stable funding for HE, not FET as well.** AONTAS asks that you please review the remainder of our consultation response through the focus originally established by the Expert Group on Future Funding of Higher Education; that any funding levy increase is implemented and seen as a source of funding for HE. Based on the work of the Expert Group we do not believe the levy would achieve the secondary purpose of providing stable funding for FET. Should you have any questions about the statement of this position please do not hesitate to contact me as I would be willing to discuss.

AONTAS would also like to take this opportunity to comment that the provision of education and support for lifelong learning should extend beyond education for the sole purpose of finding employment now. Life-long learning and the development of transversal skills (soft skills) provides the foundation for further learning that builds 'hard skills' which provide economic benefits. In addition to societal economic benefits life-long learning also provides societal benefits like social inclusion, and equity. AONTAS also wants to highlight the importance of community education as a way to reach those in society who are most disadvantaged and help them return to education and ultimately to employment. Without community education, too often our adult education system focuses only on those in society temporarily out of work and only requiring targeted upskilling. We must remember that there are many in society that require greater assistance to begin participation in education. Stable funding models for education must work for HE, FET, and community education networks. Creating a well-educated and inclusive society requires commitment from public and private actors over several years, where funding is assured and policy goals remain consistent.



Question 1: *Is an increase in the National Training Fund levy as set out in this consultation paper the most appropriate way to meet the recommendations of the Expert Group report regarding enhanced employer funding contribution, or,*

Are there are alternative models such as partnerships with education providers or direct employer contributions, the scale required to deliver the same result in a more effective manner, given the level of increased levy revenue being indicated?

Based on the Expert Group's own research, and the Department of Public Expenditure and Reform's own consultation package, AONTAS does not see the implementation of a .3% increase (.7% to 1%) in the NTF levy as being a cure-all solution for current and future funding shortfalls in HE as is seemingly inferred in the consultation document, (which itself is built off the work of the Expert Group); that is even before contemplating separate shortfalls in FET funding. While an increase to the levy may be a viable policy tool used by the Government to marginally increase HE funding, the benefits to be accrued are not evident by the research of either the Expert Group or the Department's consultation document. While concrete analysis about the assumed potential benefits of reduced costs for learners, or increased learner participation rates are notably absent, the short to medium term negative economic impacts are clearly outlined on page 30. It is therefore difficult at this time to understand the significant interest in a policy tool that has expected measurable negatives without clear expected measurable benefits for learners.

Concerning alternative models for enhancing employer funding AONTAS does not have a specific preference or suggestion based on the work of the Expert Group or the consultation document. AONTAS would like to state that any **funding models for HE and FET must be built to effectively manage systems that meet the economic needs of Ireland and the professional and personal needs of learners**. As currently stated in the consultation document, funding models are framed as firstly being concerned with how much money can be accessed from an increase to the NTF levy and then only secondly how that money can be spent to benefit learners.

Question 2: *What are the implications for the National Training Fund Act in a changed landscape of employer-education engagement?*

In the Expert Group's report of 2016 a reference is made that an increase to the NTF levy can have an impact on the engagement between employers and education institutions and academia. This thought is repeated in the consultation document. Beyond these brief statements there is no evidence provided in either document indicating why the Expert Groups or Government believes that an increase to the NTF levy will positively impact engagement between employers and education. With the limited evidence provided in the consultation document concerning added benefit to employers for an increase in the NTF levy it is difficult to see why more positive engagement would be the result of this proposed policy change.



Question 3: *In what ways can increased National Training Fund levy contributions be linked to (i) identifiable skills needs, (ii) the workforce development agenda and (iii) the local, regional and national roles of institutions?*

The government provision of funds from any increase to the NTF levy must consider the needs of learners and communities. The [Regional Skills Fora](#) can be a resource for understanding regional education and economic needs across Ireland. AONTAS can be a resource for the learner voice.

Question 4: *How can increased National Training Fund levy contributions be used to support further forms of employer-education engagement, flexible forms of education and training delivery, and, the education and training outcomes required to meet forthcoming skills needs?*

Increases to the NTF levy in and of itself as a policy tool will not likely contribute to the policy goals as outlined in this question. The increase in the levy will only have an impact if Government commits the additional revenues gained through an increase to the NTF levy to these policy goals. If the additional revenue gained through an increase to the levy is spread generally across HE and FET funding it will likely have a marginal overall benefit after more than a decade with no to little increases in funding. An efficient use of any increased funding may potentially be achieved if Government selects a specific policy goal(s) and targets the new incremental funding at those goals.

Question 5: *Is the manner in which we develop, nurture and deploy talent central to HE and FET and other sectoral strategies?*

Asking this question within the consultation document shows that the Government already understands the importance of developing, nurturing, and deploying talent as part of the HE, FET and other sectoral strategies. As stated in the question, the manner in which these elements are developed also matter. To be effective in the 21st century Government must work with stakeholder groups in a transparent and genuine way to ensure their view and perspectives are heard and where possible incorporated into governing strategies.

Question 6: *Are there skills gaps existing or emerging which require a more coherent response from the HE and FET sectors?*

At AONTAS we concern ourselves both with the employment related goals of education that are often the focus of policy makers; as well as the individual and societal benefits of education. Non-employment benefits include but are not limited to a healthier populace, participatory citizens, greater individual happiness, and a more law-abiding population. Often these benefits are seen as bonus benefits to society after employment. However individually each of these benefits can be as important societally and to the public purse as increasing employment. For example studies show that healthier populations with lower crime rates reduce the costs to society in lower costs for health and justice respectively. Individually education increases learner confidence amongst other individual learner benefits. Even if a course does not directly lead to employment, with every bit of earned confidence the learner builds toward greater social inclusion and hopefully one day toward employment.



AONTAS would like to highlight the [European Commission Education and Skills Monitor](#) as a document and resource that highlights some of the areas where HE and FET sectors are not adequately meeting the needs of Irish adult learners. This document may be useful for the Department of Public Expenditure and Reform when trying to understand the shortfalls in education beyond economic outcomes. For example Ireland is seen to do very well in levels of tertiary education attainment while we fall well behind the European average and target for adult participation in learning and in the percentage of GDP spent on educational investment. Ireland also suffers from systemic challenges around access to education for disadvantaged socio-economic populations.

Question 7: *How can better partnerships be forged between Education and Enterprise?*

AONTAS does not have any comment in response to this question.

Other comment on the sustainability of funding for FET

Beyond the specific policy proposal of increasing the NTF levy as outlined in the consultation package, AONTAS wants to take this opportunity to note an inconsistency in current practice with the stated policy goal of creating stability in funding for the FET sector. As often stated, and as stated specifically in this consultation document on page 18, the Government's policy goal is to provide funding stability to the FET sector. This goal is however contradicted by the new funding model practice requirement outlined specifically on page 10, but also in other documentation, that funding is based on an annual service planning process related to Government priorities. With FET funding based upon annual Government priorities and funding submissions it is impossible for FET providers to have the program and funding stability which is stated as a Government policy goal.

About AONTAS

AONTAS is the National Adult Learning Organisation, a voluntary membership organisation. AONTAS exists to promote the development of a learning society through the provision of a quality and comprehensive system of adult learning and education which is accessible to and inclusive to all.

The members of AONTAS number approximately 500 individual, organisational and associate (overseas) members. AONTAS promotes the importance of adult and community education as a key part of lifelong learning. AONTAS influences the development of policy and lobbies on behalf of sectoral members who work to provide effective and efficiently run adult education. AONTAS also facilitates networking among members and supports their individual work. AONTAS is the voice of adult learning in Ireland where we work to ensure that the voice of learners is heard during the consultative process.

Thank you again for taking time to review the submission of AONTAS. We welcome the opportunity to participate in the consultative process. In the future please feel free to contact me, Ben Hendriksen, directly about other consultation requests concerning issues related to adult education in Ireland.

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