



PRE-BUDGET SUBMISSION 2015



Union of Students in Ireland
Aontas na Mac Léinn in Éirinn



FOREWORD BY THE PRESIDENT

A Chara,

Education is not a commodity that can be bought off a shelf. It is a public good where the long term benefits are spread across society in terms of employment, economic prosperity, health and social cohesion.

A properly funded education system is the foundation stone of a compassionate, thriving and successful society.

Education funding is a proven investment in our future leading to broader and increased participation in our democratic processes, reduced crime and poverty rates, environmental sustainability, job creation and social equality.

However, since the economic crash of 2008 our education system continues to be seriously under-funded.

Against a backdrop of reduced household incomes, dramatic increases in rental accommodation and a saturated part-time employment market, there is an increasing and ever-widening gap between the rising costs of attending college - now estimated at €11,000 per annum - but with no corresponding increases in student supports.

Students and their families are now put under enormous financial pressure to attain a third level qualification – a qualification which is now considered a basic necessity.

However, all indicators show that the economy has turned the corner. In order to ensure a long term and sustainable recovery USI are calling on the Government to display serious intent by restoring and increasing funding levels and student supports in Budget 2016.

It is estimated that in economic terms education has a nine to one payback, that means for every one euro invested the state receives nine euros in return.

Education is not a discretionary spend and should never be viewed as a burden on the exchequer - funded properly it is an economic necessity and a public good.

It is time to invest in our future - let's insist the funding of education is a key budgetary priority.

Kevin Donoghue

Union of Students in Ireland



EDUCATION IS...

Too Expensive!

The cost of college estimated
at €11,000 (DIT - Campus Life)

38% of all students are on the
grant

40% less space available
than this time last year

Rents have increased by 8.2%
nationally - much more in major
cities



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#EducationIs

STUDENT MAINTENANCE GRANTS

INTRODUCTION

The value of the student grant has fallen against inflation over a number of years. Transport costs have increased and rents continue to rise in the Dublin commuter counties climbing 8.2% year on-year (Daft.ie, 2015). The end result will be students without accommodation and increasing drop-out rates as a result of the low grant, high rent, shortage of accommodation and increases in transport costs as well as general living costs.

The Dept. of Public Expenditure and Reform has admitted that the Student Maintenance Grant is "generally regarded as insufficient to meet the maintenance costs of going to college".

Statistically, 76,000 students and families depend on the grant, the average level of which amounts to a mere €84 a week, which is less than Job Seekers Allowance.

FAMILY INCOME THRESHOLDS

Budget 2016 should reverse successive cuts to student family income thresholds and restore them to pre-crisis levels.

The income threshold is the amount of income a household can earn and still qualify for financial support under the SUSI grant scheme.

Reduced household incomes, rental accommodation increases and a saturated part-time employment market all contribute to the ever-widening gap between the maximum rate of the maintenance grant and day-to-day student costs now estimated at €11,000 per annum.

For each of its first three budgets, the government cut student supports as part of its broader policy of reduced public spending. However, as the economy grows, USI would expect these vital educational supports to return to pre-crisis levels.

ADJACENCY RATES

Budget 2016 should address the increased financial strain on students in the 24-45km range due to reduced grant entitlements.

A student whose primary residence is within 45km (as the crow flies) of their college is deemed to be "adjacent" to their college; a student who lives more than 45km from their college is deemed "non-adjacent". "Non-adjacent" students who qualify for the maintenance grant are entitled to a higher rate.

The 45km distance throws up many inconsistencies that tend to disadvantage students outside of urban areas.

For example, the 'as the crow flies' calculation is more meaningful in a well-developed transport and road network. In rural areas, such a calculation can very rarely relate to a consistent travel experience between locations. Public transport links between rural areas can be so poor as to force students to miss or arrive late for early lectures

A change in adjacency rates, or how they are calculated, will benefit students in areas both rural and urban who commute long distances to college.

POSTGRADUATE SUPPORTS

Budget 2016 should reintroduce grant supports for students to continue to postgraduate studies.

Students who qualified for an undergraduate grant could seek assistance in pursuing their postgraduate studies. This support, again a cost-cutting measure, was stopped for all new postgraduate students from 2012.

There are two ways postgraduates may qualify for assistance under the Student Grant Scheme. They may get a new flat rate fee contribution of €2,000, if they pass the fee contribution means test or have all their tuition fees paid (up to maximum of €6,270 if they meet the stringent qualifying conditions for the special rate of grant for disadvantaged students

EDUCATION IS WORTH FUNDING

STUDENT SUPPORTS

THE COST OF EDUCATION ALLOWANCE

Budget 2016 should re-introduce the Cost of Education allowance for Back to Education Allowance (BTEA) students.

The materials support payment of €500 was provided to BTEA students to help alleviate general college costs, i.e. books materials etc.

THE STUDENT ASSISTANCE FUND (SAF)

Budget 2016 should increase the support allotted to the SAF, thus addressing the shortfall in funding.

The SAF provides financial assistance for full-time higher education students who are experiencing financial difficulties whilst attending college. Students can apply for student assistance to help them with either temporary or ongoing financial difficulties. The SAF provides a further source of funding for higher education students in addition to the student grant.

Each year, the State allocates a specific amount of student assistance funding to all publicly funded higher education colleges based on the size of the college's full-time student population. Students in need of financial support can then make application in the college for assistance under the fund. The SAF is not available to Further Education/PLC colleges.

In most cases, SAF funding is used up in the first semester or before Christmas each year. The fund has been reduced by €360k this year after a further cut the previous year.

While it is hard to identify a specific figure USI believes a sum in the region of €1million would be necessary.

STUDENT

CONTRIBUTION CHARGE

Budget 2016 should include a reduction in the student contribution charge in line with economic recovery.

Ireland's Student Contribution Charges or Student Registration Fees are the second highest in Europe.

USI believes that the Student Contribution Charge should begin to reduce in line with economic recovery and until a sustainable form of income and funding for third level institutions, currently being considered by the Higher Education Authority Working Group, is proposed.

UNDER 26S SOCIAL PAYMENTS

Budget 2016 should reverse cuts made to welfare payments for people under the age of 26.

Jobseekers under the age of 25 currently receive a payment of €100 per week and those under 26 receive €144 per week. This sum is wholly insufficient to support young people. Reversal of the cuts to welfare payments for those under 26 should be a priority for government.



EDUCATION IS THE BEST PROVISION FOR OLD AGE
ARISTOTLE

STUDENT ACCOMMODATION

Budget 2016 should commit to addressing the increasing student accommodation crisis in Ireland.

USI believes a combination of private sector rent price increases alongside the continuing shortfall in purpose-built student accommodation, will fuel a non-progression culture in third level education unless immediate action is taken. 15.2% of those living below the poverty line are students (NERI, 2015) while rent has risen by 8.2% nationally over the last twelve months.

Students often opt to spend multiple nights sleeping on couches or in hostels. This is a direct result of 40% less space (ref: Daft.ie 2015 Report) available compared to 2014. In 2011 there were almost 60,000 rental properties listed over the course of the year – a little over half of all rental properties in the capital – the last 12 months have seen just 35,000 listed. There is now a real danger that this will start to impact on retention rates, health and the education of students – and it requires immediate attention from Government.

The current trend finds students seeking accommodation in commuter towns and as a result of this demand, landlords have increased rents leaving students with unexpectedly high rental and transport costs.

USI IS CALLING ON THE GOVERNMENT TO:

Create a Student Housing 2020 strategy to complement the Construction 2020 strategy. There are approximately 80,000 students in the Dublin region with less than 3,000 purpose-built accommodation places. With growing student numbers, the need for purpose-built student accommodation needs to be addressed as a matter of urgency.

Address the cost of public transport through fare reduction or increased supports for students in commuter areas in line with other EU countries.

A further short term solution might be the use of Nama-owned properties to temporarily ease the accommodation burden.

WHAT HAS USI DONE TO HELP ALLEVIATE THE STUDENT ACCOMMODATION CRISIS?

As a short-term measure last year USI launched the 'Homes for Study' campaign which includes the website homes.usi.ie. This allows homeowners to list their spare rooms and their conditions with the objective of providing students with contacts for those willing to help.

USI also continues to promote the 'Rent a Room Relief' Scheme to homeowners where a room can be rented for up to €10,000 tax free.

STUDENT NUMBERS ARE SET TO RISE FOR SEVERAL YEARS. THE ACCOMMODATION CRISIS ISN'T GOING TO GO AWAY ON ITS OWN.



GRANTS

Thresholds

Budget 2016 would reverse cuts to income thresholds

Adjacency Rates

Budget 2016 would address the increased financial strain on students in the 24 - 45 km range due to reduced grant entitlements

PostGraduate Support

Budget 2016 would address the significant lack of supports for students wishing to move on to PostGraduate studies at a time when we are committed to a knowledge economy

STUDENT ACCOMMODATION

Budget 2016 would include a reduction in the student contribution charge in with economic recovery

STUDENT CONTRIBUTION CHARGE

Budget 2016 would include a reduction in the student contribution charge in with economic recovery

OTHER STUDENT SUPPORTS

Cost of Education

Budget 2016 would alleviate some of the financial pressure on mature students by re-introducing a materials support payment for Back to Education Allowance (BTEA) students

Student Assistance Fund

Budget 2016 would increase the support allotted to the Student Assistance Fund to address the shortfall of funding

UNDER 26'S SOCIAL PAYMENTS

Budget 2016 would reverse cuts made to welfare payments for people under the age of 26



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