



**Amicus response to the Education and Skills Committee consultation
on the Future sustainability of the higher education sector: purpose,
funding and structures**

Amicus is the UK's second largest trade union with 1.2 million members across the private and public sectors. Our members work in a range of industries including manufacturing, financial services, print, media, construction and not for profit sectors, local government, education and the NHS.

Amicus is one of the biggest trade unions in the sector with 15,000 members working in Higher Education institutions. Amicus has a keen interest in any proposed changes, new initiatives or improvement strategies that could affect the education sector. Amicus welcomes the chance to respond to this consultation and would be willing to make further written and verbal submissions about any of the issues raised.

Executive Summary

- i. Higher education needs to balance the overall needs of UK society and economy with the broad needs of students for a rounded empowering and enjoyable educational experience.
- ii. Higher education should be expanded and more focus should be put on developing the skills and research needed for the knowledge economy.

- iii. Higher education needs to be better linked with schools, further education courses and employers in order to meet the demand needs of the economy.
- iv. Degree programmes should offer genuine benefits to the student. Vocational qualifications such as foundation degrees should enable students to access broader higher education courses if they so wish.
- v. More work needs to be done to remove the significant barriers to access in Higher Education. This must include greater links with schools and more emphasis on life long learning, part-time course and distance learning.
- vi. Amicus applauds the recent increased investment into higher education and hopes that this trend will continue in order to bring staff salaries and terms in line with other sector comparators. This will also include greater investment in technical skills.
- vii. The funding system for universities needs to be more transparent and accountable.
- viii. Amicus is opposed to the commercialisation of Higher Education and believes that education is a social right not a commodity. Variable tuition fees and the market in education are damaging student access and eroding national bargaining. Amicus opposes the removal of the £3,000 cap and calls for the renewal of the statutory bursaries.
- ix. Employers need to do more to fund participation in the skills training and HE qualifications that they require including providing bursaries.

The Amicus case in detail

1. The role of universities

Amicus believes that education is a human right and that the university system is a public service integral to developments in British society, culture and the economy. UNESCO describes “*the core missions and values of higher education*”, as “*to contribute to the sustainable development and improvement of society as a whole... educate highly qualified graduates and responsible citizens able to meet the needs of all sectors of human activity... to provide opportunities for higher learning and for learning throughout life... to educate for citizenship and for active*

*participation in society... advance, create and disseminate knowledge, help understand, interpret, preserve, enhance, promote and disseminate national and regional, international and historic cultures... and help protect and enhance societal values”*¹ Amicus fully supports this position and calls on the government to promote Higher Education in this light.

2. Economy and skills

Amicus supports the government’s aim to produce highly skilled workers, value added workplaces and increased investment in research and development. A highly skilled workforce requires an effective higher education system. Universities and higher education are crucial to the future economic achievements and stability of the UK. As both the Organisation for Economic Co-operation and Development (OECD) and the recent Leitch review have recognised, for the British economy to maintain its global position the UK will need to heavily invest in the skills of its population. The OECD figures show that the UK had gone from having the second highest graduation rates for tertiary-type A programmes in 2000 to ninth in 2004 with other countries predicted to over take soon.² The Leitch review clearly recognises that *“as the global economy changes, an economy’s prosperity will be driven increasingly by its skills base.”*³ With countries such as China, India and Brazil set to massively increase their skills base and economic strength over the next decade Britain will have to offer some added value if it hopes to compete.

3. Sector strategy

The sector needs a much clearer strategy. If HE is to be of maximum benefit to the learner, employers, local communities and the economy as a whole then universities must be more strategic in the courses that they offer. They should be providing the right courses at the right time in the

¹ ‘World Declaration on Higher Education for the Twenty-First Century: Vision and Action’ adopted by the World Conference on Higher Education, 9 October 1998

² ‘The economic impact of UK higher education institutions’, Universities UK, May 2006

³ ‘Prosperity for all in the global economy- world class skills, Final Report,’ December 2006 Lord Leitch Review.

right places so that students gain qualifications that will offer them the greatest benefit and increase national productivity.

4. Links with employers

Amicus supports many of the aims of the Leitch review including more demand led courses, increases in funding in HE and the aim to bring many more people into the UK up to level 4 and above skills. Amicus is concerned that these proposals may not receive the adequate commitments or infrastructure needed to be put into practice. To this end the HE sector needs to be better linked to employers in all sectors to promote and fund the skills that they need and government needs to take an active role in promoting courses and research in areas vital to sustainability of this country. Skills academies could provide a useful conduit for this link although Amicus would stress that trade unions need to be much more integrated in the skills academy structures and consulted on all proposals. This does not mean that the diversity of the sector is to be rigidly curtailed. The government's role is to create a strategy that reflects the interests of all stakeholders in society not just those with access to money.

5. Science and technology

In particular Amicus is concerned that there are substantial blockages in the supply of scientific and technically skilled applicants to university courses. The OECD rankings for upper secondary educational attainment in the population, place the United Kingdom "*13th position among 55-to-64-year-olds in the 30 OECD countries (i.e. those who completed school some 40 years ago) but only the 23rd position among 25-to-34-year-olds, who completed school a decade ago.*"⁴ It also predicted significant improvements in countries like Korea who are now world leaders among 25-34 year-olds. The UK's standing in upper secondary education is leading to skills shortages in the British economy and will have potentially serious knock on effects if not addressed soon. We are already seeing

⁴ 'The economic impact of UK higher education institutions,' Universities UK, May 2006

high profile closures of scientific departments such as Reading's physics department, due to lack of applicants and funds. The government must make it a priority to improve the take up of scientific, maths and engineering courses at schools and further education in order to improve the numbers going on to university. It also needs to encourage the development of specialist science based courses in conjunction with sector skills councils and trade unions to boost the specific skills needed for certain industrial sectors.

6. Broad education

Amicus believes that the education system should provide a broad range of skills including generic skills like communications, team working and problem solving. There should be opportunities for a student to diversify in to more than one subject as is common in the USA and other OECD countries. Amicus also supports the exploration of political and ethical dimensions to all subjects to allow for more empowered career choices and encourage more active citizenship. This is especially true for more vocational courses like foundation degrees and higher national diplomas (HNDs). These courses need to be seen as useful gateway to skills and employment as well as opportunities in broader higher education. Foundation degrees need to become better integrated into the whole higher education system rather than corralling students down specific career paths.

7. Societal role

Amicus believes that universities should offer a more outward looking service. Universities have often been characterised as insular elite organisations or more recently as commodity providers to benefit the individual on the labour market. Universities should be more fundamentally imbedded in society offering and actively promoting opportunities for all citizens to participate in education. They should play a more central role in promoting cultural awareness, diverse perspectives, critical thinking and debate. Education should be promoted as something that carries a social

responsibility to be shared rather than an asset to gain advantage in the labour market.

8. Access

One important way to do this should be through expansion of access. Amicus is strongly committed to Article 26 in the United Nations Universal Declaration of Human Rights that declares that “*Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.*”⁵ There are still major barriers to merit based access to education in the UK. Research by the Higher Education Funding Council for England (HEFCE) suggests that over 50% of people from affluent backgrounds go to university while in some poorer areas it is less than 10%. This inequality is compounded by non-completion rates⁶. HEFCE also reports that these trends are contradicted in parts of Scotland where the use of alternative paths such as HNDs are more common and tuition fees do not apply. This suggests that these statistics can be improved upon. We are yet to see the long term effects of the implementation of variable top-up fees however Amicus continues to be concerned by the possible impacts of debt and variable costs on access. Amicus urges more work to be done to remove these barriers to education.

9. Life long and flexible learning

Access means access to education at whatever stage in life you are in. The government should do more to integrate HE into systems of life-long learning and distance learning. This may mean traditional systems of elite learning could be supplemented with more empowering techniques of collaborative learning, popular education and the use of technology to reach more people. Trade Unions should play an important role in this process and Amicus believes that the role of union learning representatives should be expanded to strengthen access to learning

⁵ <http://www.un.org/Overview/rights.html> United Nations, Universal Declaration of Human Rights December 1948

⁶ ‘Young participation in higher education,’ HEFCE, January 2005/03

through the workplace. There should also be a greater commitment from employers to grant flexible working rights, sabbaticals and paid release to employees that wish to study.

10. Earnings

Access to higher education continues to have important social economic implications to those who benefit. The OECD estimates that “*in the United Kingdom, earnings for tertiary graduates are 58% higher on average than those for people with only secondary education, a differential that is higher in only five other countries.*”⁷ If the government is aiming to target relative poverty in the UK access to higher education is an important place to start.

11. Bursaries

Amicus is in favour of the creation of statutory bursaries for students. Some employers already make contributions toward bursaries or other educational support to employees who seek to obtain degrees or other qualifications. Amicus believes that this needs to be rolled out much further, especially due to the governments continued commitment to university fees.

12. Grants

Statutory bursaries should be covered by legislation, either by compelling those employers who do not make any contribution to individuals to do so or by specific government grants to people seeking qualifications that will enhance the skill and knowledge base of UK and the country as a whole. Employers could also offer incentives such as paying off student loans.

13. Incentives

This should not be limited to those who work for large companies with access to capital but facilities should be made available to those who wish to work on social goods in both the public and not for profit sectors. The government should continue to offer incentives such as cancelling student

⁷ ‘OECD Briefing Note for the United Kingdom - Education at a Glance 2006,’ September 2006

loans and “golden hellos” to those people who commit themselves to vital services such as doctors, nurses and teachers, while also maintaining opportunities for all in arts and other culturally important subjects.

14. University funding

Good public services should be valued and need to be properly funded. Universities currently generate £45 billion of output a year - making them a larger part of the economy than either the UK pharmaceutical industry or the aircraft industry. They employ 1.2% of the UK's workforce.⁸ For a service to be valued it needs to value both users and the dedicated staff that deliver the service. The OECD highlighted that although the UK has made significant increases to higher education funding it still suffers from historic underinvestment. The UK invests 1.1 per cent of GDP in higher education compared to 2.9 per cent in the USA and 2.6 per cent in South Korea.⁹ In this light the UK government's commitment to continue increasing university budgets is extremely welcome.

15. Staff

For growth in higher education provision to be sustainable plans must include improvements to staff terms and recruitment. HEFCE predicts that *“if the increase in student numbers meets the DfES' target, all else remaining equal, the wage bill in 2011 will need to be around 20 per cent higher than in 2003-04, and this is before any adjustment for cost of living increases or implementation of the new pay framework.”*¹⁰ Amicus estimates that considerably more money is needed to reverse a 30% decline in higher education staff salaries and bring it in line with comparators in other sectors. For example technicians in the aerospace sector earn a minimum of about £21,000¹¹ whereas some starting salaries in higher education are around £12,000¹². The same is also true in the public sector as HEFCE reports that *“in general, pay awards in health and*

⁸ 'The economic impact of UK higher education institutions', Universities UK, May 2006

⁹ 'The prosperity of English universities: income growth and the prospects for new investment' HEPI, September 2006

¹⁰ 'The higher education workforce in England - A framework for the future,' HEFCE 2006

¹¹ Amicus Aerospace pay survey

¹² 'Pay in the public services 2006,' Incomes Data Services

*education have been higher than those in HE in recent years.*¹³ Amicus members have made it clear that other benefits such as a thirty-five hour week could also improve recruitment into the sector.

16. Higher education market

Amicus is opposed to the commercialisation of higher education and supports the view of the European University Association (EUA) that: *“higher education exists to serve the public interest and is not a commodity.”*¹⁴ In this light Amicus continues to oppose the creation of tuition fees and the removal of the cap on variable top-up fees or any other increases in real terms of student tuition fees. The fees system and the lifting of the £3000 cap in the 2008 review will cause a further extension of the market in education that will discourage students from poorer families from studying at more expensive universities and force more to live at home while they study.

17. Impact of the market on terms and conditions

The market in education is having a detrimental effect on working conditions in the sector as the differing budgets are eroding national bargaining and leading to departmental closures. The increasing reliance on industry funding and proposals to limit funding to Research Assessment Exercise (RAE) grade 5 and 5* departments pose a substantial risk to continuity and diversity in Higher Education. As a consequence the sector is seeing increases of short-term contracts, a narrowing of the teaching spectrum and a loss of positions and skills in under-funded areas. Amicus believes that a more responsible and long-term view of education is necessary to secure high standards and good working conditions in the sector for the future.

18. Sector skills loss

Another major concern is the rapidly accelerating skills loss amongst technicians in the sector and the use of PhD students and post doctorates

¹³ ‘The higher education workforce in England - A framework for the future,’ HEFCE 2006

¹⁴ ‘Joint Declaration on Higher Education and the General Agreement on Trade in Services’, signed by European University Association (EUA) and various North American bodies.

to cover the technical jobs on the cheap. The average age of HE technicians is now over 40 and 30% are over 50.¹⁵ Amicus believes that there should be a national training programme for this valuable group and that the use of PhD students and post doctorates is a waste of universities research resources.

19. Bureaucracy

Amicus believes that much of the bureaucracy in higher education funding needs to be streamlined. There are too many funding bodies and quangos involved in the sector. Amicus thinks that the whole system needs to be made more transparent and accountable. For example the Reward and Development Staff Initiative (RSDI) needs to be made more transparent and easily accessible so staff can verify where funding has been distributed and how it has been spent. Amicus members have highlighted concerns that RSDI funding at some HEI's never reached the intended staff recipient groups. Amicus therefore believes that funding councils should require stricter funding and accounting regimes.

20. International cooperation

Amicus is in favour of the opening up of UK universities to greater international exchange and is broadly in favour of the projects such as the Bologna process¹⁶. UK students do not take enough advantage of international study and Amicus suggests that more emphasis needs to be put on language skills to promote this. An international education deepens international understanding and facilitates the transfer of innovative ideas from other parts of the world to the UK.

21. International market

Having said this Amicus is bitterly opposed to the creation of a competitive market in higher education under World Trade Organisation or European Union rules. Amicus members would resist any attempts to reintroduce the

¹⁵ 'Staff employed at HEFCE funded HEIs,' HEFCE Report 2005

¹⁶ 'Amicus response to the Education and Skills Committee consultation on the Bologna Process initiative in Higher Education,' December 2006

sector under the General Agreement of Trade in Services (GATS)¹⁷ or the Balkenstein directive¹⁸. International higher education provision should be based on principles of cooperation not competition.

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¹⁷ World Trade Organisation website: <http://www.wto.org/>

¹⁸ European commission website: http://ec.europa.eu/internal_market/services/index_en.htm