"We have to design a system that suits the Irish situation"

The provost of Trinity College, Paddy Prendergast, believes his main job is to convince the government to spend more on third level education.

There's nothing better than a P&L," Prendergast chuckles, opening up the profit and loss page of Trinity's annual report. Prendergast is just one of several university presidents around Ireland who are calling on the government to do something urgently about the funding crisis they say is affecting third level education in Ireland.

The Trinity balance sheet tells a story. The university's income has grown steadily since 2011 when it was €312 million to more than €321 million in 2015. That's come from a combination of student fees (up from €111.9 million to €128.9 million), research grants (up from €78.5 million to €85.2 million) and commercial revenue (up from €21.2 million to €29.1 million).

Meanwhile, though, the college's state grant has plummeted from €66.7 million in 2011 to €44.5 million in 2015, and its costs have risen. The staff bill has gone from €219 million to €230 million contributing to a total operating expense in 2015 of €325.2 million — up from €303.9 million in 2011.

For Prendergast, the college is punching above its weight in winning research grants and it expects to be able to increase its commercial revenue to €50 million by 2020. It will also be generating more money by boosting by 50 per cent its...
in taking of those lucrative non-EU students through the likes of joint-degree courses with Chinese universities and the arts and humanities degree it is currently working on with Columbia University in New York.

But for Prendergast, the solution to Trinity’s financial situation – and to the problems of the Irish third level sector generally – is for the state to pump more cash into colleges.

“Two years ago it was 70 per cent of our income was coming from the state. Now 43 per cent is coming from the state,” he says, and he expects that to fall further in years to come.

Today, Prendergast sees his main job as redressing that balance and convincing the government to spend more money on third level education to account for the major demographic shifts in Ireland.

“We are one of the lucky countries in the world to have an expanding young population. We are going to have something like 20 per cent more people coming into higher education by 2028 than we have now,” he says. “That 20 per cent more on an already underfunded system. They’re Department of Education and Skills figures – these kids are already born.”

Such a surge in student numbers is going to put Trinity and other Irish colleges under severe strain.

“We’ve already maxed out now on how we can use the current infrastructure. Lecture theatres are full, labs are full, they’re working into the late evenings and early mornings.”

To account for that, Trinity is in the middle of a major capital spending drive, building its new business school as well as a new docklands technology and enterprise campus that he expects will cost the college around €300 million.

“It’s ideally located on Grand Canal Dock with all the American technology companies nearby – the Googles, the Twisters, the Facebooks, and the Dropboxes,” he says.

The new unit will focus on engineering, energy and environmental research and is likely to also have a creative arts and research team, he says, and its main focus will be to foster engagement between industry and academia.

“The overall aim is to have the best site in Europe for industry-academic engagement. We can deliver this in Dublin but we need to plan it properly. It’s just a question of how to fund the money.”

One of the ways that the government can free up the funding necessary is to change the way it funds student fees.

“In short, on foot of Peter Cassels’ report earlier this year on funding third level education, most Irish university presidents – including Prendergast – believe that students need to start taking out loans.

That, he points out, is likely to frighten the life out of an awful lot of people in Ireland. Parents and prospective students are likely to look at the most obvious example of a debt-funded college system – the US – and worry about loading such large volumes of debt on young people.

“I resist the slippery slope argument – the idea that if we introduce small income-contingent loans then it becomes like the American system overnight,” he says. “It doesn’t have to be like that. We can have relatively modest loans taken out so that it can be paid off when your income goes above a certain threshold.

“The main thing about these loans is that they’re income contingent,” Prendergast says. “You don’t pay back until you’re earning at a certain level.

“What I’m advocating is that a proper balance be taken between the public good and the private good,” he says, and points out that Cassels proposed an implementation group to see just how it might work.

“Students or parents are borrowing this money anyway on a non-income-contingent basis from credit unions or banks to pay the fees,” he says. “Rather than pretending that we can go on [as if the problem doesn’t exist].”

Student accommodation is another major problem – especially with that 20 per cent jump in the number of college-aged students in the country. Prendergast believes the market is likely to fix the problem. He has had conversations about possible collaboration between the colleges and private sector.

“We’ve got to create more student accommodation and we’ve had discussions with DIT on how we’d collaborate,” he says. “We could and I’d love to do that. I think that’s the sort of thing we should and could collaborate on.

But with the accommodation crisis just as acute as the funding crisis, why has no college yet done anything to address it swiftly and directly?

“We have to recognise there’s a lot of private providers in the market. So that’s helping to solve the problem,” he says, referring to student residences being built in a number of locations around Dublin.

Meanwhile, Trinity has its own plans to knock Oisin House opposite Pearse Street Garda Station – if it gets planning permission, having already been turned down once – to build a 250-bed student residence on the site.

“Many of us are doing what we can do. We understand many other universities have student residences in the pipeline, but you’re right to flag up perhaps that there could be more collaboration,” he says.

Prendergast has different ideas on how the state should spend its money on Irish third level education.

“I would prefer to see the state spend its money on capital infrastructure for new teaching and research accommodation and labs of the kind we’re talking about with the technology and enterprise campus,” he says.
"For scarce state resources, all things that the private market won’t do is more important," he says. "That’s really the critical issue."

This year, Trinity got a punch in the gut when the results were announced in two of the major global university rankings. In the British QS World Rankings, Trinity fell from 61 to 98, while in the highly regarded Times Educational Supplement it fell out of the top 200 colleges entirely.

All college rankings have their critics, especially about the methodologies they employ, but just how much importance does Prendergast place on them?

"They’re probably not an absolute measure [of the quality of the college]. But so many people look at them around the world, particularly parents who might be outside thinking [if they] will they send their children to Trinity," he says. "Likewise, industry coming into Ireland often ask the question, ‘What are the highly ranked universities in this country?’ And if they find there are none they quite rightly draw the question: what is the quality of the talent pool in Ireland?"

"I’ve seen one-page summaries about Ireland as an investment destination where they ask about tax and the rest, and one of the boxes is about education. You can’t bury your head in the sand when it comes to the rankings."

Trinity most certainly didn’t bury its head, but it appeared as if it had gotten its wires crossed when it emerged it had dropped out of the Times ranking because of its communications with its alumni.

"I think they thought that we were gaming the system," he says, when it was merely the wrong formula of words in an email to alumni, who are often asked to vote in the survey.

"This was a complete misunderstanding all around as far as I can see and straight away we got into dialogue with them and resolved the issue."

He got better news last month, when Trinity was accepted into the League of European Research Universities, the first Irish institution to be included alongside 23 top European universities such as Oxford, Cambridge, University of Zurich, and Imperial College London.

"Though he hasn’t made up his mind whether he’ll run again for the job of provost, Prendergast has a model for the college he wants Trinity to be: Stanford, the California university consistently in the top three in the world rankings."

"It’s an old university, and it has strength in the humanities and social sciences. It’s got old squares, and yet it is known for innovation, entrepreneurship, for driving activity in the Valley, and I see Trinity fulfilling that role in Dublin," he says.

Such lofty ambitions don’t come cheap, and plenty of parents might be looking at the future cost of college and getting worried about growing fees funded by loans that’ll be docketed from their wages and private rented accommodation that can rise with the whims of the market.

"They’ll get a great education. I point out, but it might well cost them."

"That all depends on the balance of public and private to be honest," Prendergast says after a pause. "The thing that’s really crucial is that they get a great education."

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