



Personal experiences of graduate indebtedness

Josh Patel

Researcher, Edge Foundation

Understanding Graduate
Experiences of
Indebtedness in England
and Scotland, SRHE
June 2024



An (unrepresentative) experience of indebtedness

		Who paid for me?
Pre-2012	Secondary school and sixth form in Surrey	Local authority
2012-13	New £9000 fees introduced; gap year studying for BTEC Foundation Diploma in Art and Design at FE college	Local authority
2013-16	University of Warwick, History BA	Student Loan Plan 2
2016-17	University of Warwick, Global and Comparative History MA	Departmental studentship, waived fees
2017-21	University of Warwick, History PhD: 'Imagining the Role of the Student in Society: ideas of British higher education policy and pedagogy 1957-1972'	Departmental stipend at UKRI minimum, waived fees
2021-22	University of Warwick, Early Career Teaching and Research Fellow, Institute for Advanced Teaching and Learning	-
2022-current	Researcher, Edge Foundation	-

Loans and grants

“the **majority of students take vocational degrees** [which] **means that the benefits accrue overwhelmingly to the individual**. It is for these reasons - profitability, motive, and individual benefits - that **the costs of higher education are most appropriately financed by loans**. There are no good rounds, social or economic, for meeting them out of tax-financed grants. This method is economically unsound, in that it disrupts the working of normal competitive forces in equalising rates of return on various kinds of investment; and it is **socially unjust, in that it redistributes income from the poor and the stupid in favour of the rich and the intelligent.**”

Memorandum submitted by Dr. D. S. Lees, **28 June 1961**, in Committee on Higher Education, 'Higher Education: Written and Oral Evidence Received by the Committee Appointed by the Prime Minister under the Chairmanship of Lord Robbins, 1961-1963', Part 2 (London: HMSO, 1964), p. 110

Loans and grants

That because HE attendance has a social return and a large individual return, students should be expected to take on some burden of the cost of their education.

Versus:

On the balance of how far future freedoms are enabled by the reduction of freedoms in the present, how far is it right that resources should be redistributed from the general population to fund higher education?

Frustration 1: poor balance of freedoms today

But these should only be the first moves: solving the whole puzzle has many other steps. The big principle we should have in mind as we work our way through them is that, in England, the balance between public and private funding for higher education has swung too far in the direction of the individual graduate. This offends the principle set out in the 1997 Dearing Report that the costs of higher education should be shared by its beneficiaries, and it undermines the design of the income-contingent loan system as originally envisaged.





**'Dangerously inadequate staffing levels':
NHS waiting list growing 4 times faster
than nurse workforce**



Skills Shortages bulletin – Summary

01 February 2024

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In this summary document, we draw out succinctly the key messages from across our Skills Shortage Bulletin series, aggregating and amplifying these messages. The summary is updated annually.

Our key findings for 2024 are:

1. Overall labour market conditions remain challenging
2. Profound changes to patterns of employment are intensifying
3. Skills shortages are numerous and have grown significantly
4. The rate of skills investment is in decline
5. Skills shortages have significant costs for UK businesses, the economy, and the environment
6. Employers prize work experience and broader transferable skills when recruiting
7. Young people lack confidence in their future ability to meet skills requirements
8. The education system struggles to respond to skills needs and is under-resourced

Frustration 2: regressive repayments

In practice, however, the reforms mean the greatest burden falls on low and middle-earning graduates. The better off, meanwhile, pay less, both in absolute terms and as a percentage of their income. The heaviest burden of all will fall on middle-earning graduates. All graduates on the fifth income decile will make higher repayments than their counterparts on the tenth income decile, with women in this decile the worst affected, paying approximately £30,000 more under the changes. Contrast this with a male graduate on the tenth income decile who will pay approximately £15,000 less. To put it bluntly, a nurse must now pay back more than a banker.

3

JOBS OF THE FUTURE

Summary

By 2035, more than **11 million extra graduates, in addition to the 15.3 million graduates currently in the UK workforce**, will be needed to fill jobs in the UK by 2035 in industries such as computing and engineering, teaching and education, and health. **88% of new jobs** by 2035 will be at graduate level.

Summary of Oxford Economics findings

Australia's employment growth is expected to grow in line with gross domestic product (GDP).

By 2050, it is estimated that 82% of jobs across the entire workforce will require a tertiary education. To meet this level of labour market need, 90% of 25 to 34-year-olds in the workforce will require a tertiary qualification.

This suggests an additional 6.3 million jobs requiring tertiary education will be added to the labour force over the next 30 years.

An estimated 960,000 additional tertiary qualifications will be required each year on average over the next 30 years to meet labour market needs for tertiary jobs. Oxford Economics Australia has assumed that skilled migration will continue to contribute to meeting this demand for qualifications.

The outlook for strong demand in higher educated roles implies that within the tertiary attainment rate of 82%, a higher education attainment rate of 51% of the working age population and 57% of 25 to 34-year-olds by 2050 is required to meet labour market demands.

Frustration 3: degradation of HE as a place to start a career



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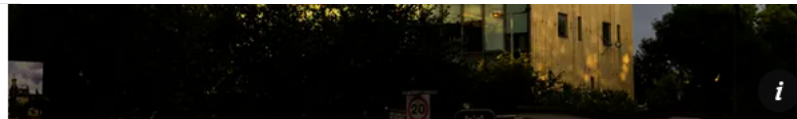
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More redundancies planned at University of Kent as staff say 'working here is a hellish nightmare'



UK HE shrinking

This is a live page of all the redundancies, restructures, reorganisations, and closures taking place across the sector at the moment. Solidarity to all. This sector is vital to the country's future and the vandalism to it unconscionable.



The Goldsmiths crisis: how cuts and culture wars sent universities into a death spiral

Arts education is essential - yet on both sides of the Atlantic, the humanities and critical thinking are under attack. With massive redundancies announced at this London institution, is it the canary in the coalmine?

Zoe Williams

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Hallam protects bank agreements against 'financial deterioration'

University draws up plans to avert risk of breaching banking covenants, as sector-wide financial worries take hold

January 10, 2024

John Morgan

Twitter: @johncmorgan3



A major English university has drawn up plans to avert the risk of breaching its agreements with banks, as a crisis in higher education funding continues to take hold.

