

Not perfect, but not bad

Danny Dorling on what Labour's plans would mean for higher education



We all know that the chances of the Labour Party winning an outright majority in the general election are low. Even if it were to win, the chances of politicians actually sticking to all their manifesto commitments are also slim.

But let's suppose that both things happened. What would a Labour government mean for universities?

It would not necessarily mean budget cuts. The party's manifesto pledge to cut the deficit every year could be achieved by raising taxes on the rich. The UK has some of the lowest income and property taxes in Western Europe, especially for high earners and the extremely wealthy.

But it is hard to see how Labour's promise could be achieved without yet higher taxes on those most able to pay. The tax rises proposed in the manifesto might not be enough for Labour to keep its central promises: "building a future for all our young people, so they can get world-class apprenticeships and access to affordable, higher education" and "strong public services".

These promises will directly affect universities in many ways. Higher paid university staff will see more of their income being taxed, so vice-chancellors will pay the most. Labour's initial manifesto promise is to reimpose a 50p tax rate on income in excess of £150,000 a year. That is a start on the path towards rebalancing the responsibilities of the rich and the rights of the poor, but the party might later need to move towards the Green Party's proposed 60 per cent top rate.

In most other European countries, university heads are paid far less than those in the UK, partly because progressive income taxation is normal on the Continent. Salaries at the top tend not to rise so rapidly when both the institution and the individual know that most of the extra increment will simply be returned to the state in taxes. Progressive taxation helps to curb the greed of those who are already paid too much.

But what would Labour do for the bulk of university staff who are low paid, insecurely paid, perhaps on the equivalent of zero hours contracts? What about the academics in temporary jobs who are paid less than the living wage because preparation time is not accounted for, or the technical staff who have to commute for hours each day because they cannot afford to live near their workplace?

If Labour were to enact its election manifesto, then no university could pay anyone less than £8 an hour by October 2019. No one could have zero hours contracts or the equivalent for temporary staff. To fund all this, universities should curtail pay rises at the top. It should not be hard to work out by how much. As higher earners, our clinical colleagues might be more affected than most – but their jobs would be more secure because they would help to train the 8,000 extra GPs, 20,000 nurses and 3,000 midwives that Labour has promised.

Wealthier colleagues, including those who bought property in London some time ago, will have to pay the mansion tax, but if the same colleagues complained in the past about the apparently poor standards of state schools, they will surely be in favour of Labour's promise to protect the state education budget. It would have been ambitious to declare an aspiration to increase funding per child to the sum that many countries in continental Europe budget for, but that is missing from the manifesto.

As centres of immigration, universities are unlikely to be very impressed by Labour's stigmatising of migrants, with the plan to bar them from claiming benefits for "at least" two years. Presumably, this would mean no child benefit for the children of overseas (including European Union) university students and staff. If Labour does enact that policy, UK nationals are going to have to spend a great deal of time apologising for our government, not least to European funding bodies – which could even

decide that the behaviour of our government disqualifies us from eligibility for European research monies. When Switzerland went down this route a few years ago, it quickly retracted its plans because of university research funding fears, and Switzerland is not even in the EU.

Universities stand to win from the manifesto promise to set a legal target to remove carbon from all electricity production by 2030. Universities are not high energy users; furthermore, research teams – very likely in academia – will need to work out how to achieve this target. Similarly, it will not be only private business that benefits from the new Green Investment Bank. And when it comes to universities and collaborations, the manifesto says: "We will support this model of knowledge clusters, especially outside the South East."

But where is the money for higher education and other commitments going to come from, you might ask, if we are not going to lift the lid on fees? "Labour will cut tuition fees from £9,000 to £6,000 a year, funded by restricting tax relief on pension contributions for the highest earners and clamping down on tax avoidance." For the first time, the Inland Revenue has a serious target to aim for – finding up to £3,000 of tax revenue a year for every young person who is in an English university to make up the shortfall, where this is not covered by removing tax relief for rich pensioners.

As a set of proposals, Labour's promises are not perfect, but they're not bad – and also not likely to see the light of day unless a particular set of circumstances and coalitions happen to emerge. It is a manifesto with myriad implications for students, staff and the cities that universities are a part of – and which they could be much more a part of – if we were all, truly, "in it together".

Danny Dorling is Halford Mackinder professor of geography at the University of Oxford.

“Universities are unlikely to be very impressed by Labour's stigmatising of migrants, with the plan to bar them from claiming benefits for 'at least' two years”