

Session 3: Use of Tuition Fees and Students' Grants

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The rise and fall of zero-charges: pros and contras

- economic arguments
- social policy arguments

Educational participation and social selectivity

- System comparison Germany - USA
- Need for empirical studies

European comparison of tuition fees

- 10 European countries (2005/06) raise tuition fees, 21 do not
- Since then
 - (partial) introduction in Germany
 - rise in England

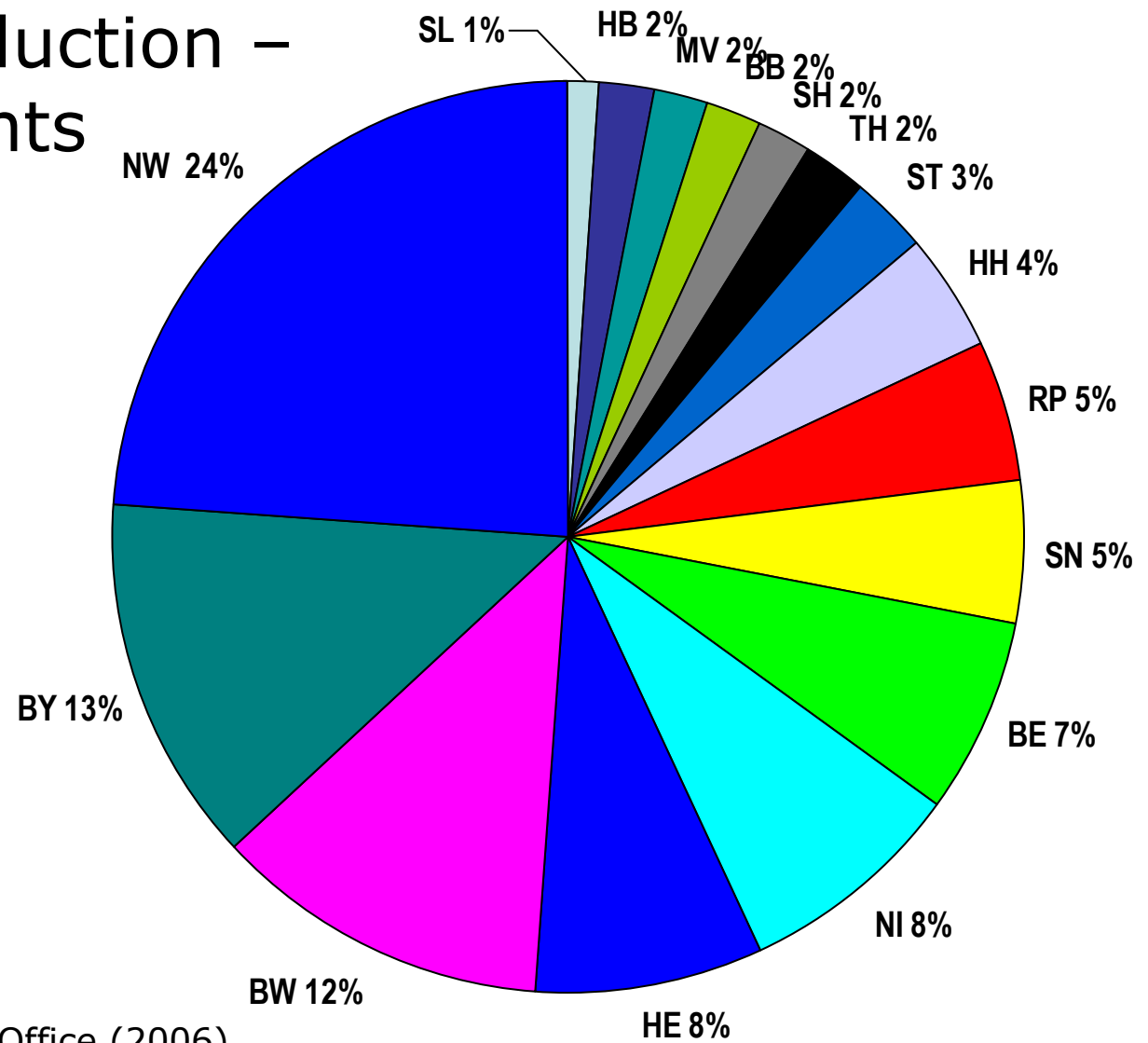
European comparison on tuition fees, grants, loans

	tuition fees	grants	loans
Belgium fr univ.	705	291 – 3977	720 – 1200
Belgium nl	431 – 489	195 – 4070	-
Bulgaria	264 – 458	403	-
Spain	516 – 1109	.	1663 – 4435
Latvia	997 – 6858	1994 – 4386	3759
Lithuania	586	2635	2635
Netherlands	1406	2359 – 2562	a) 1007 – 5548
Austria	701	174 – 7013	-
Portugal	583 – 1082	.	-
UK (England)	1579	1344	3346 – 5636
UK (Wales)	1579	2015	3346 – 5636
UK (N. Ireland)	1579	2687	2600 – 5636
Lichtenstein	733	.	244 – 7333

Status of introduction – German states

States	Date of introduction	Amount €/semester
Niedersachsen	WS 2006/07 & SS 2007	500
Nordrhein-Westfalen	WS 2006/07 & SS 2007	0-500
Baden-Württemberg	SS 2007	500
Bayern	SS 2007	100-500 (Polys); 300-500 (Unis/Arts colleagues)
Hamburg	SS 2007	500
Saarland	WS 2007/08	500
Hessen	WS 2007/08	500

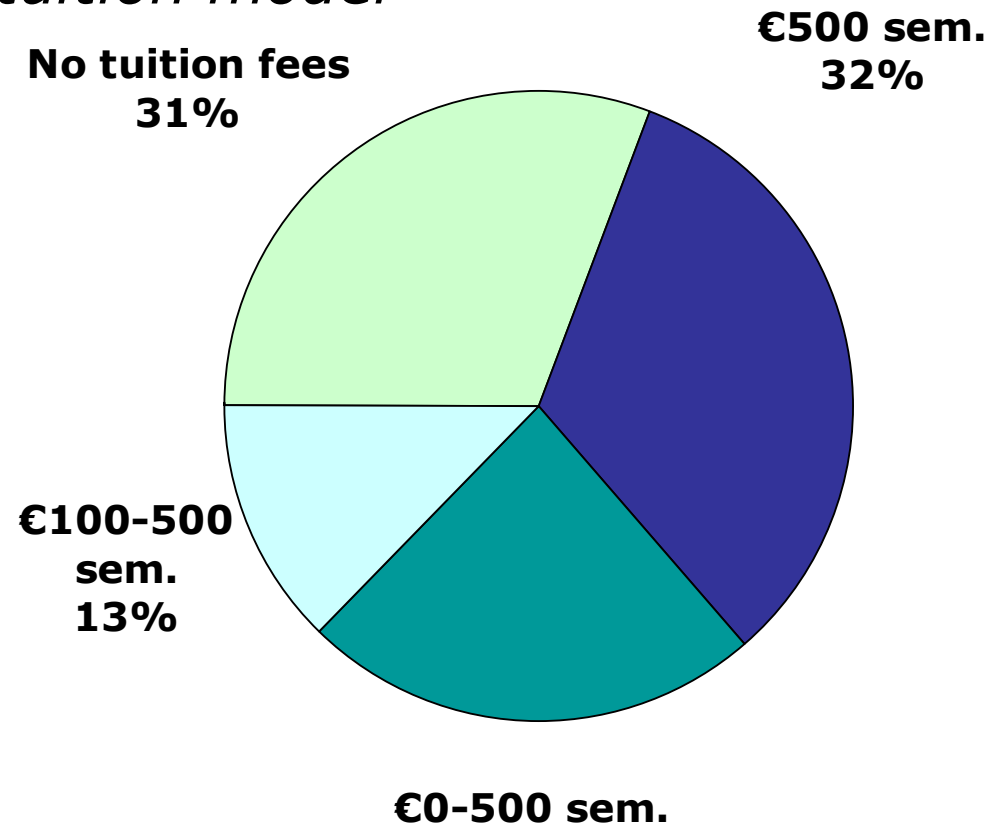
Status of introduction – Share of students



Source: German Fed. Stat. Office (2006)

Status of introduction – Share of students

*Share of students by tuition model
(WS 2007/08)*



Designing social equity

- Objective: Maintaining education participation
- Aims:
 - postponement of fee payment
 - consideration of financial means
- All states achieve this through new loan models
 - Repayment post-graduation
 - Repayment only after personal income reaches set level
 - Partial debt reduction for recipients of state student support (BAföG)

Comparison of state models

Tuition fee loans

State	Max. debt from loan and BAföG	Initial postpone-ment	Min. income level for individuals
Niedersachsen	€ 15,000	2 yrs.	12,720 €/yr
Nordrhein-Westfalen	€ 10,000	2 yrs.	11,520 €/yr
Baden-Württemberg	€ 15,000	2 yrs.	12,720 €/yr
Bayern	€ 15,000	2 yrs.	12,720 €/yr
Hamburg	€ 17,000	18 mths.	12,720 €/yr
Saarland	€ 15,000	2 yrs.	12,720 €/yr
Hessen	€ 15,000	2 yrs.	15,120 €/yr

Calculating the Income from fees

potential income: students x fees

- fee waivers: students x fees

- administrative costs

- costs of bad debts

Net income

Calculating the Income from fees

Example – University of Hamburg (without medicine)

potential income:	$35,142 \times 1,000$	= €35.142 mil
- fee waivers (20 %):	$7,028 \times 1,000$	= € 7.028 mil
- administrative costs (est.):		€ 0.7 mil
- costs of bad debts:		€ 0.6 mil
Net income		€26.814 mil

corresponds to c. 27 % of annual income for teaching

The use of the supplementary income

- Infrastructure
 - Library (Equipment, Opening times)
 - Internet and PC-work places
 - Equipment for laboratories, media-infrastructure in lecture halls
- Student Services
 - Supervision provision (for first yr. students)
 - International Offices
- Teaching provision
 - More parallel classes, smaller groups
 - More tutors

Thank you for your attention