Higher education policy issues and trends

An update on higher education policy issues in 11 Western countries, 2004

CHEPS – Higher education monitor

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# Table of contents

**TABLE OF CONTENTS** ........................................................................................................................................... 3

**TRENDS EN TOPICS: EEN SAMENVATTING** .............................................................................................................. 7

1 **TRENDS EN ONDERWERPEN IN BELEID EN STRUCTUUR** ............................................................................................. 7

1.1 **ONDERWIJS INFRASTRUCTUUR** ............................................................................................................................... 7
1.2 **ONDERZOEK INFRASTRUCTUUR** ............................................................................................................................... 9
1.3 **FINANCIËN** ................................................................................................................................................................. 10
1.4 **BESTUUR EN BEHEER** ............................................................................................................................................... 10
1.5 **Kwaliteit** ....................................................................................................................................................................... 11

2 **INTRODUCTION** ............................................................................................................................................................ 12

3 **AUSTRALIA** ................................................................................................................................................................. 13

3.1 **THE NELSON REFORMS** ........................................................................................................................................... 13
3.2 **EDUCATIONAL INFRASTRUCTURE** ........................................................................................................................... 14
   3.2.1 **Access and participation** ........................................................................................................................................ 14
   3.2.2 **Associate degree** .................................................................................................................................................. 14
3.3 **RESEARCH INFRASTRUCTURE** .................................................................................................................................. 14
   3.3.1 **Centres of excellence/ research priorities** ................................................................................................................ 14
3.4 **FINANCE** ...................................................................................................................................................................... 15
   3.4.1 **Tuition fees** ............................................................................................................................................................ 15
   3.4.2 **Student support** ..................................................................................................................................................... 15
   3.4.3 **Student learning entitlements** ............................................................................................................................. 17
   3.4.4 **New funding model** ............................................................................................................................................... 17
3.5 **GOVERNANCE** ............................................................................................................................................................... 18
   3.5.1 **Governing boards** ................................................................................................................................................ 18
   3.5.2 **University reporting** ............................................................................................................................................. 18
3.6 **QUALITY ASSURANCE** .................................................................................................................................................. 18
   3.6.1 **National protocols** ................................................................................................................................................ 18
   3.6.2 **Educational profile** .............................................................................................................................................. 19

4 **AUSTRIA** ......................................................................................................................................................................... 20

4.1 **EDUCATIONAL INFRASTRUCTURE** .............................................................................................................................. 20
   4.1.1 **University reform** ................................................................................................................................................ 20
   4.1.2 **Bachelor master structure** ....................................................................................................................................... 20
   4.1.3 **The Fachhochschulen-sector; regional co-operation** .............................................................................................. 20
   4.1.4 **ICT** ......................................................................................................................................................................... 21
   4.1.5 **Internationalisation** ............................................................................................................................................ 21
   4.1.6 **Staffing: Employment conditions** .......................................................................................................................... 21
4.2 **RESEARCH INFRASTRUCTURE** ................................................................................................................................... 21
   4.2.1 **Fachhochschulen** .................................................................................................................................................... 21
   4.2.2 **Lisbon** .................................................................................................................................................................. 21
   4.2.3 **National Research and Innovation Plan** ................................................................................................................ 22
4.3 **FINANCE** ....................................................................................................................................................................... 22
4.3.1 The university sector ........................................................................................................... 22
4.4 GOVERNANCE ......................................................................................................................... 22

5 DENMARK ............................................................................................................................................... 23
  5.1 EDUCATIONAL INFRASTRUCTURE ......................................................................................... 23
  5.1.1 General education policies .................................................................................................... 23
  5.1.2 The new University Act ........................................................................................................ 24
  5.2 RESEARCH INFRASTRUCTURE .............................................................................................. 24
  5.3 FINANCE ...................................................................................................................................... 25
  5.3.1 R&D expenditure .................................................................................................................. 25
  5.3.2 Funding mechanism .............................................................................................................. 25
  5.4 GOVERNANCE ............................................................................................................................ 25
  5.4.1 University management structure ....................................................................................... 25
  5.4.2 Autonomy ............................................................................................................................ 26
  5.4.3 University performance contracts ....................................................................................... 26
  5.5 QUALITY ..................................................................................................................................... 27
  5.5.1 Quality assurance ................................................................................................................. 27
  5.5.2 Accreditation ........................................................................................................................ 27
  5.5.3 Research .................................................................................................................................. 27

6 FINLAND ............................................................................................................................................... 28
  6.1 EDUCATIONAL INFRASTRUCTURE ......................................................................................... 28
   6.1.1 Faster and more efficient completion of university studies ............................................... 28
   6.1.2 Admission ............................................................................................................................. 28
   6.1.3 Bachelor master ..................................................................................................................... 29
   6.1.4 Study planning and guidance ............................................................................................... 31
   6.1.5 Regional strategy for education and science policy ............................................................ 31
   6.1.6 New Strategy for the Finnish Virtual University ................................................................. 32
  6.2 RESEARCH INFRASTRUCTURE ............................................................................................... 32
   6.2.1 Research and innovation capacity ...................................................................................... 32
   6.2.2 Evaluation of the Academy of Finland ............................................................................... 33
  6.3 FINANCE ..................................................................................................................................... 33
   6.3.1 Broader scope for universities to manage their own finances ......................................... 33
   6.3.2 Student financial aid ............................................................................................................ 33
   6.3.3 Funding of higher education in 2004 ................................................................................... 34
  6.4 GOVERNANCE ............................................................................................................................. 34
   6.4.1 University boards to be changed ....................................................................................... 34
   6.4.2 The new legislation on AMK’s ........................................................................................... 35
  6.5 QUALITY ..................................................................................................................................... 35
   6.5.1 High quality units in universities and polytechnics ............................................................ 35

7 FLANDERS .......................................................................................................................................... 36
  7.1 EDUCATIONAL INFRASTRUCTURE ......................................................................................... 36
   7.1.1 Bologna follow-up ................................................................................................................. 36
   7.1.2 Entrance exam for doctor and dentist ............................................................................... 37
   7.1.3 Study centres open higher education .................................................................................. 38
  7.2 RESEARCH INFRASTRUCTURE ............................................................................................... 38
   7.2.1 Strategic basic research ....................................................................................................... 38
   7.2.2 Action-plan scientific information and innovation 2003 ................................................... 38
  7.3 FINANCE ..................................................................................................................................... 39
7.3.1 Student support................................................................................................................39
7.4 Governance ..........................................................................................................................39
  7.4.1 Erkenningscommissie ..................................................................................................39
  7.4.2 Aanvullingsdecreet ..................................................................................................39
7.5 Quality Assurance ..............................................................................................................40

8 France .....................................................................................................................................41
  8.1 Education Infrastructure .................................................................................................41
    8.1.1 Bachelor Master .....................................................................................................41
    8.1.2 Numerus clauses in medical disciplines ..................................................................41
    8.1.3 New procedure for the restricted entrance into CPGE ............................................41
    8.1.4 Accrediting prior experiential learning ...................................................................41
    8.1.5 Student mobility .....................................................................................................42
    8.1.6 Staff policies ............................................................................................................42
  8.2 Research Policy ..............................................................................................................42
  8.3 Governance ....................................................................................................................42
    8.3.1 Decentralisation .....................................................................................................42
    8.3.2 Contractual policy .................................................................................................43

9 Germany ..................................................................................................................................44
  9.1 Introduction ....................................................................................................................44
  9.2 Educational Infrastructure ...............................................................................................44
    9.2.1 Bachelor Master .....................................................................................................44
    9.2.2 Access .....................................................................................................................45
    9.2.3 Drop out ..................................................................................................................45
    9.2.4 Federal versus state ...............................................................................................45
    9.2.5 Private higher education .......................................................................................45
    9.2.6 Stiftunguniversitäten .............................................................................................46
    9.2.7 Staff .........................................................................................................................46
  9.3 Finance and Governance .................................................................................................46
    9.3.1 Tuition fees .............................................................................................................46
    9.3.2 Contracts and agreements .......................................................................................47
  9.4 Quality ................................................................................................................................47

10 The Netherlands ..................................................................................................................48
  10.1 Educational Infrastructure .............................................................................................48
    10.1.1 Lectorate and knowledge circles in HBO .............................................................48
    10.1.2 Science and engineering ......................................................................................48
  10.2 Research Infrastructure .................................................................................................49
    10.2.1 Staffing: AIO’s .....................................................................................................49
    10.2.2 Innovationplatform .............................................................................................49
  10.3 Finance ...........................................................................................................................50
    10.3.1 New funding mechanism .......................................................................................50
    10.3.2 Funding of research ...............................................................................................51
    10.3.3 Tuition fees ............................................................................................................51
    10.3.4 Student support ....................................................................................................51
  10.4 Governance ...................................................................................................................52
    10.4.1 Performance agreements ......................................................................................52
  10.5 Quality ...........................................................................................................................52
    10.5.1 Accreditation ........................................................................................................52
Trends en topics: een samenvatting

1 Trends en onderwerpen in beleid en structuur

De beschrijvingen van de landen zoals die hieronder volgen bieden een rijk overzicht van de onderwerpen die in de publieke en politieke debatten over het hoger onderwijs in 2003 aan de orde zijn geweest. De lezer met een brede belangstelling voor hoger onderwijs (beleid) wordt geïnformeerd over de belangrijkste onderwerpen en ontwikkelingen in Westerse hoger onderwijs systemen.

In deze samenvatting presenteren we de belangrijkste onderwerpen en de recente ontwikkelingen in de hogeronderwijssystemen. Er kunnen andere onderwerpen zijn die al lange tijd van belang zijn, maar die, omdat ze niet (hoog) op de publieke of politieke agenda hebben gestaan, hier niet aan de orde komen.

De toonzetting van de nationale debatten die in de volgende paragrafen worden beschreven, de deelnemende actoren en de beleidscontexten zullen tussen de verschillende landen verschillen. Voor een diepgaander inzicht in de onderwerpen en de nationale context verwijzen we naar de hoofdstukken waarin de afzonderlijke landen worden besproken.

1.1 Onderwijs infrastructuur

Het Bologna proces heeft nog steeds een grote invloed op de ontwikkelingen in de hoger onderwijs infrastructuren van veel landen. De invoering of ontwikkeling van een bachelor-master structuur is een onderwerp dat in alle besproken landen hoog op de agenda staat, met uitzondering van Australië, Nederland en het Verenigd Koninkrijk. De richting en het tempo waarin de ontwikkelingen plaatsvinden verschillen echter tussen de landen. In enkele landen staat het faciliteren van internationalisering centraal, door de invoering van Diploma Supplementen of ECTS (Finland, Oostenrijk, Vlaanderen en Zweden). In andere landen is het momentum dat door het Bologna proces is ontstaan gebruikt om ingrijpende veranderingen in de diplomastructuur door te voeren. In Vlaanderen en Denemarken heeft dit geleid tot een wettelijke basis voor de veranderingen. In Frankrijk hebben de voorstellen om te komen tot een nieuwe Licence Master Doctorat structuur geleid tot felle protesten van de kant van zowel studenten als universiteiten.

Toelating en selectie waren een onderwerp in acht landen. In Vlaanderen, Portugal, Finland en Frankrijk is de toegang tot specifieke programma’s vergroot dan wel de numerus clausus beperkingen ingeperkt. In Zweden en Finland zijn de selectiecriteria herzien. De Portugese en Zweedse hogeronderwijsinstellingen hebben
meer autonomie gekregen in het selecteren van hun studenten, een onderwerp dat in Nederland volop in discussie was. In Duitsland, Finland en Denemarken waren de discussies en veranderingen vooral gericht op de coördinatie van de toelatingsprocedures.

**Tabel 1: Belangrijkste onderwerpen in het hoger onderwijs (beleid)**

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**Oos**: Oostenrijk; **Aus**: Australië; **Dk**: Denemarken; **Fi**: Finland; **Vla**: Vlaanderen; **Fr**: Frankrijk; **Du**: Duitsland; **Nl**: Nederland; **P**: Portugal; **Zw**: Zweden; **VK**: Verenigd Koninkrijk

In Frankrijk, Duitsland en Zweden is er bijzondere aandacht voor toegang van studenten die de officiële toelatingskwalificaties ontberen maar die wel uitgebreide werk- en levenservaring hebben.

Het vergroten en verbreden van de deelname is een ander belangrijk onderwerp dat vooral in Australië, Finland, Frankrijk, Nederland en het Verenigd Koninkrijk naar voren komt.
De drijfveer achter deze debatten en beleid zijn aan de ene kant de noodzaak te komen tot een sterkere kennismaatschappij door het aandeel van hoger opgeleiden in de bevolking te vergroten. Aan de andere kant zijn overheden ervoor bevreesd dat de opgang van de kennissamenleving de kansongelijkheid voor sociaal-economische achtergestelde groepen zal doen toenemen.

In een aantal landen zijn er discussies over de flexibiliteit van programma’s en studierechten van studenten. Het vergroten van de flexibiliteit van programma’s (Denemarken, Vlaanderen en Finland) en het verbeteren van de advisering en begeleiding van studenten (Denemarken en Finland) worden als belangrijke instrumenten gezien in de strijd tegen de overschrijding van de nominale studieduur en te hoge uitval. Het concept van studierechten binnen een bepaalde periode (zoals dat in Duitsland naar voren is gebracht) kan als een instrument op dit gebied worden gezien.

Wetenschappelijk personeel stond in vijf landen op de agenda. In Oostenrijk, Frankrijk, Portugal en Nederland richt het debat zich op de vraag hoe de carrièreperspectieven van wetenschappers te verbeteren. In Duitsland (en in mindere mate in Oostenrijk) spits het debat zich toe op de carrièreperspectieven van hoogleraren.

In tegenstelling tot voorgaande jaren spelen de verwachte toekomstige tekorten aan hoger opgeleiden en met name in bèta en techniek in de debatten vrijwel geen rol (alleen in Denemarken en Nederland komt het prominent aan de orde). Dit is opmerkelijk omdat het beperken van toekomstige tekorten aan afgestudeerden in bèta en techniek één van de vijf benchmarks is die de Europese Commissie in het kader van de Lissabon doelstellingen heeft geformuleerd.

1.2 Onderzoek infrastructuur

Het Lissabon proces\(^1\) lijkt ook een invloed te hebben op het nationale onderzoeksbeleid. In zes landen stonden de onderzoeks- en ontwikkelingsuitgaven hoog op de agenda: in Australië, Oostenrijk, Denemarken, Finland en Vlaanderen werd gesproken over extra onderzoeksinvesteringen of werden deze vastgesteld. In Frankrijk is stevig gedebatteerd over de (vermeende) bezuinigingen in onderzoeksbekostiging. In enkele landen is de onderzoeksinfrastructuur geplaatst in de bredere context van een nationaal debat over het innovatieve vermogen van nationale systemen (zoals in Finland, Nederland, Oostenrijk en Vlaanderen).

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\(^1\) Tijdens de EU top in Lissabon, 2000, is de ambitie geformuleerd om van de EU de meest concurrerende en dynamische kennis-economie van de wereld te worden, in staat tot duurzame economische groei en met meer en betere banen en grotere sociale cohesie in 2010. Het proces dat tot het bereiken van die ambitie moet leiden staat bekend als het Lissabon proces.
1.3 Financiën

Financiën is een onderwerp dat in vrijwel elke beschrijving van nationale hoger onderwijs onderwerpen aan de orde komt. Daarbij gaat het vooral om herzieningen van bekostigingsmechanismen en discussies over studiefinancieringsystemen. Het Australische bekostigingsmodel zal transparanter worden. In Denemarken was er slechts een beperkte aanpassing van het bekostigingsmodel, maar het zal binnenkort grondig worden doorgelicht. De Portugese hervorming van de bekostigingsmodel voor publieke hogeronderwijsinstellingen introduceert prestatie-elementen in de formule.

De uitbreiding van de bestaande leenstelsels en de invoering van een nieuw is een belangrijk element van de Australische hogeronderwijs hervormingen. De Finse debatten zijn gericht op de beschikbaarheid van studiefinanciering voor buitenlandse studenten en op het gebruik van studiefinanciering als een middel om de studieduur te beperken. De Vlaamse hervormingen zijn een direct gevolg van de recente wetswijzigingen. In Nederlands is er, ondanks discussies over herzieningen, niets veranderd. In Zweden is het stelsel van studiefinanciering meer ingebed in het stelsel van sociale zekerheid waardoor meer mensen toegang tot het stelsel van hoger onderwijs kunnen krijgen. Een soortgelijke reden werd ook aangehaald in de Britse hervormingen van het studiefinancieringsstelsel.

In vier landen stond de differentiatie van collegegelden op de agenda. In Australië, Portugal en het Verenigd Koninkrijk mogen hogeronderwijsinstellingen nu hun eigen collegegeld vaststellen, zij het binnen bepaalde bandbreedtes. In Nederland is er over collegegeld differentiatie gediscussieerd maar is er nog niets geïmplementeerd. In Duitsland zijn experimenten doorgevoerd met Studienkonten, die gezien kunnen worden als een manier om het heersende taboe op collegegelden te omzeilen.

1.4 Bestuur en beheer

De meeste onderwerpen onder dit kopje hadden in 2003 betrekking op de bestuursorganen van hogeronderwijsinstellingen, hetzij hun samenstelling (Australië, Finland, Oostenrijk en Vlaanderen), hetzij de manier waarop hun leden worden gekozen (Denemarken en Finland). In Frankrijk en het Verenigd Koninkrijk hadden de discussies een algemener karakter, gericht op de vergroting van de instellingsautonomie.

De opgang van contracten of prestatie-afspraken vormen het tweede onderwerp. In Denemarken bestonden prestatiecontracten al enkele jaren maar in 2003 is hier nieuw leven ingeblazen. De nieuwe universiteitswet in Oostenrijk heeft prestatie contracten ingevoerd als een manier om een deel van de publieke middelen te alloceren. Het Franse contractualiseringsbeleid is in 2003 gecontinueerd. In Duitsland bestaan er afspraken op federaal niveau maar deze zijn niet al te ingrijpend. Er zijn echter enkele deelstaten waarin meer vergaande contracten tussen overheid en hogeronderwijsinstellingen
bestaan. De discussies in Nederland over prestatie-afspraken zijn nog in een pril stadium.

1.5 Kwaliteit

De kwaliteit van het hoger onderwijs is een bron van aanhoudende zorg in vele landen maar het lijkt of het onderwerpen niet meer tot de topprioriteiten behoort.
2 Introduction

Higher education systems have become open to influences from outside the system. Describing higher education systems in a highly dynamic context therefore requires a regular updating of the information presented. The annual CHEPS International Higher Education Monitor\(^2\) update report provides insights into the latest developments in the higher education infrastructure, higher education finance, governance and quality assurance. In the first, and main part of the report the issues most present in public debates and policies are identified and discussed. Information is collected from written and electronic materials as well as consultation of national experts. The first part is concluded with a comparative analysis. In this part, the issues are identified that are common in a number of national systems or even in most systems. No additional information is presented in this section, but the cross-national presentation of issues in some cases casts a different light on the national issues.

The second part provides an overview of statistical trends. The choice of the indicators was mainly driven by the choice of indicators in the EU Detailed work programme on the concrete objectives if education and training systems.

\(^2\) The ‘CHEPS International Higher Education Monitor’ is an ongoing research project aimed at the monitoring of higher education systems and higher education policies in ten (Western) European countries and Australia. A major part of the project is commissioned by the Dutch Ministry of Education, Science and Culture. The ‘CHEPS International Higher Education Monitor’ consists of in-depth country reports, (describing national systems and policies), thematic reports (providing in-depth comparative analyses of major issues in higher education research), trendreports (identifying changes in quantitative aspects) and a database with quantitative and qualitative information on the higher education systems.
3 Australia

3.1 The Nelson reforms

In December 2003, the Higher Education Support Bill 2003 was passed through the Australian Parliament. The legislation contains many of the major structural reforms that were proposed in the Government’s “Our Universities: Backing Australia’s Future” reform package (Nelson, 2003), which contained the proposals announced by the minister for Education, Science and Training (dr. Brendan Nelson) in response to a review of the Australian higher education sector carried out in 2002.

The reforms will be implemented over the next few years and aim at allowing the Australian higher education sector to develop in a way that is (1) sustainable (primarily in terms of funding), (2) promotes diversity and quality, and (3) leads to equitable outcomes (in terms of opportunity for all potential students).

The reform package implies a more flexible fee structure, the abolition of up-front fees combined with a deferred repayment system, improved financial support for poorer students and extra funding (totalling over A$ 2.6 billion in the next five years) for the sector. The reform was presented as a package, implying that they had to be ‘swallowed and implemented’ as a whole. The passing of the Bill could only succeed because of some amendments that were made to it. An example is the setting of the maximum student contribution rates (HECS3). Rather than the proposed 30%, the level up to which universities can set their (HECS) fees is now set at the existing (uniform) rates plus 25%.

The Senate of the Australian Parliament, on the instigation of the opposition, meanwhile had conducted an inquiry into higher education issues, in particular in order to take a look at the effects of the government proposals (Senate Employment, Workplace Relations and Education References Committee, 2003). The report that came out of this had the ominous title Hacking Australia’s Future, and was very critical about the principles and effects of the government’s proposals, claiming the proposals would discard university autonomy and academic freedom and shift costs to students. The Australian Vice Chancellors Committee (AVCC) in its paper called Guarding the Goalposts also expressed the criticism relating to the loss of university autonomy in the

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3 The HECS (Higher Education Contribution Scheme) is a ‘Study now, pay later’ system in which students are allowed to defer the payment of their tuition fees until after they have graduated. Graduates are only required to repay installments or “graduate contributions” when their annual income exceeds a certain minimum income threshold, thus providing a form of insurance against the graduate becoming unemployed or finding only a lower-paid job.
fields of governance and workplace relations (i.e. enterprise agreements). In the final legislation that was passed, these points were largely amended.

3.2 Educational infrastructure

3.2.1 Access and participation
The number of overseas students in Australia has risen to some 188,000. This meant that education is Australia’s fastest-growing export service sector, worth a turnover of more than A$ 4 billion a year.

As part of the higher education bill, the number of funded student places will be increased, adding more than 30,000 places over the coming four years and leading to a total of 450,000 of government-supported places in the system by the year 2008. The extra places are made up of 9,100 new Commonwealth supported places commencing in 2005, growing to 24,883 by 2008, 6,700 extra places by 2008 to meet anticipated population growth, 574 new nursing places, 1,170 new medical places and 745 new National Priority places.

3.2.2 Associate degree
In 2003 MCEETYA endorsed a new two-year AQF qualification, the Associate Degree. The Associate Degree will be accredited through higher education processes in accordance with MCEETYA’s National Protocols for Higher Education Approval Processes.

3.3 Research infrastructure

3.3.1 Centres of excellence/ research priorities
Eight Centres of Excellence were selected by the Australian Research Council (ARC) to share almost A$ 90 million over the next five years to undertake leading edge research, allowing them to compete internationally and excel in fundamental research as well as in applied research carried out in cooperation with industry. The centres are connected to universities and are active in four priority areas: (1) complex/intelligent systems, (2) genome research, (3) nano materials & bio-materials, and (4) photon science & technology. A total of 34 per cent of the 2003 funding allocation for the ARC’s National Competitive Grants Programme is being allocated to these designated priority areas. All of this is in line with the government’s strategy to increase Australia’s R&D potential – a policy goal that was expressed in the government’s Backing Australia’s Abilities white paper.
The Knowledge and Innovation Reforms initiated in 2000 (see Kemp, 1999) led to major changes in the block funding for university research including the creation of the Institutional Grants Scheme (IGS) to support universities’ research capacity; the creation of the Research Training Scheme (RTS) to allocate research training places by a performance-based formula; and introduced infrastructure support for competitive grants into the Research Infrastructure Block Grant (RIGB) program. This policy is being evaluated on the basis of an issues paper prepared by the Minister in July 2003.

A new Collaboration and Structural Reform Fund will be established for three years from 2005 to encourage innovation and collaboration within the sector. The fund will comprise current funding under the Higher Education Innovation programme of A$17 million and additional funding of A$20 million over three years from 2005.

### 3.4 Finance

#### 3.4.1 Tuition fees

One of the most controversial parts of the Bill was allowing universities to set the fees for their undergraduate students up to a maximum that differs according to the ‘Band’ in which the program is categorized. The maximum student contribution rates follow the same categories as the differentiated HECS system:

<table>
<thead>
<tr>
<th>Programme category</th>
<th>Description</th>
<th>Maximum student contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority fields</td>
<td>education and nursing</td>
<td>3,768</td>
</tr>
<tr>
<td>Band 1</td>
<td>arts, humanities, social studies</td>
<td>4,710</td>
</tr>
<tr>
<td>Band 2</td>
<td>math, science, engineering, business, economics</td>
<td>6,709</td>
</tr>
<tr>
<td>Band 3</td>
<td>law, medicine, dentistry, veterinary science</td>
<td>7,854</td>
</tr>
</tbody>
</table>

Thus, student contributions will vary between courses and institutions. From the year 2005, these arrangements are to be in place. The new national priority fields are used to attract students to courses that are a national priority for the government. The maximum student contributions in areas of teaching and nursing will be similar to that which would have applied if the current HECS schedule had been maintained.

#### 3.4.2 Student support

The HELP programme (Higher Education Loan Programme) will incorporate the current provisions that allow students to defer the payment of their HECS contribution. The HELP programme will also be extended to students who pay full fees. For this category, the Nelson reforms package introduces a new loan programme called FEE-
HELP. This scheme will offer eligible undergraduate and postgraduate students an income contingent loan to pay their tuition fees at eligible (i.e. recognised in terms of meeting quality standards) private and public institutions. As regards the students in private institutions, FEE-HELP therefore implies that HECS-like arrangements are extended to this category of students as well, placing private institutions on more of an equal footing with public institutions.

As regards the students in public institutions, one has to keep in mind the fact that most Australian undergraduate students (around 97%) are HECS-liable and do not have to pay an upfront fee. FEE-HELP then is applicable to the students taken on by universities over and above the minimum number of publicly funded places agreed with the Commonwealth government. Higher education institutions may charge students fees provided they are not HECS liable (or HECS-exempt, usually: postgraduate research students). Institutions determine their own fee levels for this group, taking into account costs and demand. This practice was allowed from 1998 on. The condition to be met by the university was that the number of undergraduate fee-paying students in a particular course does not exceed 25% of the total number of places available for domestic students in that course. In the new law, the maximum level of fee paying domestic undergraduates will be set at 35%. Domestic postgraduate coursework (i.e. not research) students constitute the biggest group of domestic students that pay (full) fees. Currently, 75% of all postgraduate coursework places are taken up by fee-paying students.

The FEE-HELP system will absorb the system of loans that was introduced (in 2001) to help postgraduate students pay for their fees. The latter system (PELS: Postgraduate Education Loan Scheme) was targeted at students in public universities who were studying for a master’s by coursework program (a taught – i.e. non-research – master’s degree) and enabled students to take up an interest-free loan to cover the postgraduate fee, the level of which was set by the university itself.

Similar to the previous arrangements, graduates will start repaying their HECS debt once they reach an income threshold. According to the new law, the income threshold that sets off the debt repayments is increased and the repayment rates are slightly increased. Furthermore, the discount of 25% on the up-front payment of HECS is lowered to 20 per cent of the HECS rate. Contrary to Nelson’s original plans, the FEE-HELP loan will not attract an interest rate, but instead the loan is subject to an administration charge of 20%. This charge is equal to the discount for upfront or early payment available on HECS-HELP. It means that the total debt is known in advance and advantages those who repay the debt more slowly. Postgraduate courses would be subject to no interest nor to an administration fee.

Is has to be mentioned that HECS-HELP and FEE-HELP are not covering the students living expenses. Youth Allowances and Austudy grants are available for undergraduate students.
3.4.3 Student learning entitlements

The government is introducing a system of so-called Student Learning Entitlements, which means that from 2005 on it provides financial support to cover the duration of a student’s course for up to seven years with flexibility for an extension in the case of longer courses. This seven year maximum came in place of the five year limit that was originally proposed in the Backing Australia’s Future paper. The reasons for introducing the entitlement are not fully clear, but signs are that the government wants to prevent students from occupying government supported places for indefinite periods. The seven year period will allow most students to undertake 3 and 4 year courses and leave them with room for further study (i.e. post-bachelor).

3.4.4 New funding model

The Commonwealth government is introducing a new model for the funding of teaching in universities. Currently it provides public higher education institutions with block grants determined largely on a historical basis. A new Commonwealth Grant Scheme (CGS) for teaching and scholarship will replace the current block grants system. The Commonwealth will provide a contribution, set by discipline, towards the cost of an agreed number of Commonwealth supported places actually delivered in a year. Each higher education institution that receives funds under the CGS will enter into a Funding Agreement with the Commonwealth, with annual negotiations to take place over the number of places and the discipline mix that the Commonwealth will support. Places to be supported may be at the undergraduate level, the postgraduate non-research level in negotiated fields, and in enabling (i.e. ‘bridging’) courses. The Agreement will be negotiated in the context of each institution’s mission and strategic direction for course provision. Institutions will be paid according to the discipline mix actually delivered in a year, as long as the total Commonwealth contribution does not exceed one per cent of the Commonwealth contribution that would have been payable on the agreed discipline mix. Penalties will apply to institutions that consistently enrol non full fee paying students beyond a two per cent limit. Unfilled places from institutions that consistently under enrol will be redistributed to other universities according to Commonwealth priorities, following consultations with the States and Territories.

The Commonwealth will inject a further A$404.3 million into the higher education sector by incrementally increasing its contribution per student place by 2.5 per cent from 2005, building to a 7.5 per cent increase by 2007. This increase is conditional on institutions providing staff with a choice of industrial agreements and adherence to the National Governance Protocols, which are designed to encourage efficiency, productivity and accountability in the sector. This will increase funding to the sector by a further A$404 million.
Extra support is provided for regional campuses with an additional A$156 million over five years through a regional “loading”.

### 3.5 Governance

#### 3.5.1 Governing boards

Prior to the passing of the Higher Education Support Bill 2003 a lot of debates focused on the link between the proposed industrial relations (i.e. staffing and staff payment) and governance reforms on the one hand and university funding on the other. The Commonwealth was very much preoccupied with reducing the size of universities’ governing bodies (e.g. the senate), referring to evidence from the US and the UK and suggesting that university performance could be enhanced if the size of the governing board were reduced.

#### 3.5.2 University reporting

In the same (governance) area, the Commonwealth government proposed that universities report on ‘high level outcomes’, for instance to keep the Commonwealth minister informed about any significant event affecting the institution or its subsidiaries which may affect its capacity to meet its obligations as set out in its funding agreement with the Commonwealth. The universities regarded this proposal as intrusive into its autonomy and as duplicating other reporting requirements.

In the end the Bill included the statement that the universities may enter into enterprise agreements, i.e. wage bargaining/collective bargaining – they are not required to do so.

### 3.6 Quality assurance

#### 3.6.1 National protocols

National Protocols for Higher Education Approval Processes were endorsed by the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA) in 2000 to ensure consistent quality assurance criteria and standards across Australia. Since the adoption of the Protocols, most States and Territories have either completed or are in the process of enacting legislative reforms to give effect to the Protocols. By 2003, several governments were assessing their first application for university status under National Protocol One. In conjunction with States and Territories, DEST has commissioned a review of the protocols in 2004 to help ensure their ongoing relevance.
3.6.2 Educational profile

In previous years, universities in receipt of funding from the Australian Government were required to submit an educational profile outlining their strategies to achieve outcomes in a variety of key areas. This included submission of a Quality Assurance and Improvement Plan. Following the 2003 higher education reform package, a new process will be developed to enable the Australian Government to ensure the accountability of universities for Commonwealth funds.

With respect to the issue of quality the Higher Education Bill announces the following actions:

- A new Learning and Teaching Performance Fund will be introduced from 2006 to reward institutions that best demonstrate excellence in learning and teaching. A total of A$251 million is to be allocated under the fund between 2006 and 2008.

- A new National Institute for Learning and Teaching in Higher Education will be established with ongoing annual funding of A$22 million from 2006 and a new range of awards to enhance the Australian Awards for University Teaching (AAUT) with an additional A$8 million being provided between 2006 and 2008.

- Finally, additional funding of A$4 million is set aside to fund quality initiatives including additional funding to enhance the operations of the Australian Universities Quality Agency in relation to offshore audits.
4 Austria

4.1 Educational infrastructure

4.1.1 University reform

The new Universitätsgesetz has passed legislation in 2002, indicating the transformation of state-controlled to independent institutions. The main changes of the UG 2002 were (Pechar, 2003):

- universities became full legal entities (Körperschaften des öffentliches Rechts), but still in the domain of public law;
- universities are relieved from the fiscal regulations of the federal budget (Kameralistik) and receive a lump sum budget. Resources are allocated on the basis of performance contracts (20% of budget based on indicators);
- internal decision-making procedures are left to the institutions themselves (except for the requirement of a Universitätsrat, Rektorat and Senat) and should be laid down in a statute (Satzung);
- the university will be the employer of all university staff (employment by private contracts instead of civil service).

It is important to note that the changes in the UG 2002 have been rather encompassing, even exceeding the latest reform on university organisation, which had been completed only two years earlier. Much of the factual change within universities has still to be brought about. Minister Gehrer nominated the year 2003 as the year of transformation of the university (BMBWK, 2002a). The Minister has allocated additional budgets for the implementation of the UG 2002.

4.1.2 Bachelor master structure

From 2003 on, Diploma Supplements will be issued and ECTS will be applied to all study programmes. The government expects that by 2006, 50% of all programmes will be reorganised into Bachelor and Master programmes (BMBWK, 2002b). At present there are 152 Bachelor and 199 Master programmes (BMBWK, 2003c).

4.1.3 The Fachhochschulen-sector; regional co-operation

The Fachhochschulen sector is still growing. The initial student number target of 2004 was already reached in Autumn 2003: 130 study programmes, 22,100 students and 7,400 first-year students. The budget for this sector was increased with € 15 million (total in 2003: € 109 million). The Fachhochschulen have received in total € 10 million additionally to set up or strengthen co-operation with partners in the regional economy.
4.1.4 ICT
In 2000, the NML-initiative (Neue Medien in der Lehre) was launched to support the implementation and use of information and communication technology in Austrian higher education institutions. A budget of €8 million was available for innovation projects. Next steps considered (BMBWK, 2003a) are the further development of the ICT-profile of the individual higher education institutions, the dissemination of experiences and good practices and the strengthening of co-operation networks of institutions.

4.1.5 Internationalisation
The changes in the UG 2002 also related to internationalisation/Europeanisation. The CEEPUS programme (co-operation with higher education institutions in Central and Eastern Europe) was extended for five years. An important new element of the programme is the priority for Joint European Programs (students follow programme elements at different universities and receive “double” degrees, BMBWK, 2003b).

4.1.6 Staffing: Employment conditions
The change towards the private contract status led to considerable turmoil (Pechar, 2003). The demise of the civil servant status has serious consequences for job security and pension schemes. Through a provisional employment act, the government wanted future contracts to be concluded with the university (private contract). The temporary regulation met resistance from different sides, particularly relating to the position of junior faculty. An unintended consequence of the reform is that – despite the attempt to decrease the number of civil service contracts – the opposite has happened: many (junior) staff members have successfully achieved civil servant status.

4.2 Research infrastructure

4.2.1 Fachhochschulen
To support research at the Fachhochschulen, the government has approved twenty projects in the Fachhochschul-Forschungsförderungsprogramm FH-plus.

4.2.2 Lisbon
In light of the EU 2010 target of a 3% of the GDP investment in research and development, the government aims to achieve 2.5% of GDP by 2006. The government also intends to improve the success rate in European research and development programmes, and to support the development of European centres of excellence. Also particular attention is given to the relatively weak position of the private sector in terms of R&D investment.
4.2.3 National Research and Innovation Plan

Other important policy developments took place regarding the National Research and Innovation Plan of the Rat für Forschung und Technologieentwicklung (launched at the end of 2002). In 2003 it was proposed to set up an umbrella organisation for research, technology and innovation. Its aim is to set up a general research strategy, to distribute funds and to control the further policy process.

4.3 Finance

4.3.1 The university sector

Government expenditure on universities has increased. For 2004, the government promises an overall increase of 6% of the budget (at the university level varying from 0.7% to 16%). The budget is slightly above € 2 billion. Extra budgets are reserved for improving the research infrastructure: the Rat für Forschung und Technologieentwicklung launched the UniINFRASTRUKTUR II programme (€ 18 million), to be continued in 2005 and 2006. The programme aims to improve the research infrastructure, particularly improving the attractiveness of universities (from the perspective of industry and other non-university partners). Also additional budgets are available for the so-called Vorziehprofessuren (additional positions for professors, € 10 million). Although the budgetary situation seems promising, the Österreichische Rektorenkonferenz was less confident in its comment on the budget 2003 (ÖRK, 2003).

4.4 Governance

The UG 2002 brought about some changes in the governance structure. The universities should have a Universitätsrat, a governing body consisting of 5, 7 or 9 members, 2-4 are to be appointed by the Minister, 2-4 by university bodies. The last remaining member is jointly decided upon by those already appointed by Minister and university. The Rektorat (rector and up to four vice-rectors) prepare proposals to be decided upon by the Universitätsrat. Quite a number of changes still need to be implemented in the universities. The election of rectors have so far been rather uncontroversial: most of the rectors in the pre-UG 2002 period were re-elected.
5 Denmark

Higher education policies have to a large extent been devoted to the 2003 EU Presidency of Denmark and to the introduction of a new university law. In addition, initiatives for changes in the research infrastructure were further elaborated and the realisation of the high Danish ambitions in the area of information technology (IT) has been taken further.

5.1 Educational infrastructure

5.1.1 General education policies

In September 2002 the government presented a nation wide action plan for Better Education (Ministry of Education, 2002a). This plan aimed to upgrade the entire education system ensuring that it would deliver top-quality in terms of innovation to sustain high professional standards, quality, relevance and flexibility in the whole education sector.

The proposals to reform general upper secondary education and the higher education sector have led to some initiatives in 2003. There has been started a discussion on what information about each Gymnasium school should be made public as being their profile. Issues concern the school’s student population, their results and the quality of the school, the pedagogical principles, and evaluation reports. All of this is related to the policy on transparency and openness in education as a result of legislation that passed Danish parliament in May 2002. These initiatives lead to better and comparable information for students and their parents on educational institutions.

The reforms in the general and vocational upper secondary education level (16-19 years old students) have been given further shape, amongst other things focussing more on strengthening the natural sciences.

In the aims to strengthen the profile of natural sciences and engineering and to attract more students and researchers, the Ministry of Education organised an international conference on the theme Science in Life – Life in Science. Furthermore, the new University Act supports the strengthening of natural sciences. The act focuses among other things on counselling and interaction between industry and universities.

Concerning the aspect of internationalisation, the Government is expected to announce its “strategy of internationalisation” in the beginning of 2004. The strategy will be discussed in the Danish parliament in the beginning of 2004.

Another issue to which much attention has been given in recent years is strengthening of the IT sector in Denmark. In 2002, an IT Action Plan has been launched to stimulate further economic growth and reform of the public sector, and particularly for equipping Denmark for the knowledge society of the future. Seven key
areas have been identified which all aim at a better integration of IT in Danish society, such as in business and the private sector, but also through enlarging access to internet and strengthening average IT competencies of all inhabitants.

5.1.2 The new University Act

The major development in Danish higher education has been the acceptance of the new University Act in the Danish Parliament in May 2003. Except for some modifications, most ideas as presented in the draft act have been accepted. In the second half of 2003 a start has been made with the implementation of this new act. The main education-related topics in the act concern the following (Ministry of STI, 2003a):

- Changes of the education structure in an effort to intensify the interaction between universities and society/industry (a high priority for the government).
- Reduction of drop-out in university programs.
- A high level of flexibility and mobility between Danish universities and to/from foreign universities.
- The introduction of a co-ordinated intra-university enrolment scheme (InterUniversitaer Koordineret Tilmelding, IU-KOT) to ensure bachelors a genuine choice of admission to master programs.
- The restructuring of the educational structure into the 3+2 bachelor master structure (wherever it has not already been altered yet)
- The introduction of a modular structure for all bachelor and master programs.
- Intensifying the individual student counselling service.

5.2 Research infrastructure

During the last five years a reform of the public research sector has been discussed among politicians and researchers. After the general election in 2001 the new government announced a reform of the research infrastructure. The various papers that since then have been published on this issue contain three broad messages (MSTI, 2002):

- The Danish universities will have new forms of management and incentive structures;
- Danish sector research will be reorganised and concentrated on specifically prioritised areas;
- The Danish system of research councils will be reformed, with all public foundation grants for research being distributed in open competition on the basis of known, recognised and uniform principles.

These ideas have been reflected in policy documents like the proposals for the new university act, a paper on government research institutes, one on the Danish National Research Foundation and one on the research council system.
As such, the University Act stresses that universities should be committed to uphold the freedom of research, through individual researchers choosing their own research methods, procedures and topics within the strategic frameworks laid out in the University Performance Contracts (Ministry of STI, 2003b). In these contracts the individual universities come to an agreement with the Ministry of STI about their strategic goals and their expected results.

The Ministry of STI defines research as the foundations for a well functioning and competitive economy and knowledge society. Denmark wants to strive for reaching the goal of investing 3% of GDP in research and innovation in 2010, as was agreed among European leaders at the Barcelona Summit of 2002 (MSTI, 2002).

5.3 Finance

5.3.1 R&D expenditure

Total Danish expenditure on R&D as a percentage of GDP showed a growing tendency from 1.6 in 1991 to 2.5 in 2001. This is mainly due to growth in spending in the private sector. The public sector shows only minor changes (from 0.68 of GDP in 1991 to 0.78 in 1995 and 0.75 in 2001). The basic funding (direct state funding) of universities is declining. However, the Danish government presented recently a plan aiming at stimulating the interaction between universities and industry, earmarking 275 million DKK for this purpose in the period 2004 to 2007. In addition universities have given room for separate entities to promote such interaction at market premises.

5.3.2 Funding mechanism

As far as teaching is concerned, a small adjustment in the taximeter system is foreseen with the introduction of a so-called bachelor bonus, as of January 2004. This means in practice that next to the funding tariffs for study credits that students successfully passed, institutions will also receive a tariff for each bachelor degree they confer. Under the new conditions, institutions will have a greater interest in a successful completion of students. The taximeter system remains otherwise unchanged. However, the Minister of Science Technology and Innovation has appointed a board that during 2004 will examine the taximeter system thoroughly, and make suggestions for improvements. This work is set to finished by the end of 2004.

5.4 Governance

5.4.1 University management structure

The new university act passed Danish Parliament in May 2003. The reform includes managerial changes, of which the largest is on the election system. For example, heads
of departments will be appointed and there will be appointed supervisory boards at the most university levels has been introduced instead of elected collegial bodies.

In the framework of the new university act, the university management structure is strengthened. The major instrument is the introduction of a Board of Directors at each university. A Board consists of students, academic and support staff, and external members, with a majority of the latter. Rather than being elected as in the current situation, the Rector will be appointed by the Board of Directors. The Rector also has to report directly to the Board of Directors. The Rector will also appoint Deans (per faculty) who are responsible for the daily management of the faculties, including the faculty’s research, study programs, teaching, budget, staff and strategies. The Deans appoint Heads of Department, who are responsible for activities within the units where research and study normally take place (departments). The Head of Department may appoint Junior Heads of Department and Heads of Research.

To maintain the democratic principles within universities, the act further states that internally composed Academic Councils should be established. The members will be academic staff and students, chaired by the Rector or the Dean at faculty level. The Academic Councils gives its opinion on all important academic matters, including the internal allocation of basic funds, and recommends new strategically research and teaching initiatives. Finally, the Dean should appoint one or more Curriculum Boards and Directors of Study which keep a close eye on the study programs.

The universities have made a start with these transitions in the course of 2003. Some universities have already newly appointed supervisory boards with external representation i.e. participants from society at large and industry.

5.4.2 Autonomy

The University Act also envisages to make universities more autonomous, which is reflected in the idea of self-governing institutions. A self-governing status implies that universities will become special administrative entities pertaining to public law with a much higher degree of independence governed. As a result, universities will gain freedom to generate additional resources and to decide how to spend their resources.

5.4.3 University performance contracts

A final governance issue relates to the role of the University Performance Contracts that were introduced in 1999/2000. These contracts represent a comprehensive dialogue between the individual universities and internal and external stakeholders. It includes issues like research planning, teaching targets, external relations, working conditions, the use of ICT, management, the maintenance of libraries, museums and buildings in general. In the first round of contracts, the goals and instruments were formulated in a rather loose way. But within the framework of the new University Act the contracts are meant to become more explicit. It was envisaged to make a start on this issue in 2003. As such, there are negotiations taking place on second generation contracts between the
Ministry of STI and the universities (September 2003-November 2004). Implementation of contracts is expected to take place at the latest in January 2005.

### 5.5 Quality

#### 5.5.1 Quality assurance

An OECD report on the Danish universities is to be published in January 2004. Based on this report (and according to university rectors), the universities may consider changes in quality assurance and evaluation. Though evaluation of education is already widely practiced and monitored by the Danish Evaluation Institute, the new University Act was aimed to make internal quality assurance and quality development a continuous issue of concern within universities (Ministry of STI, 2003b). As such, quality assurance would also become part of the University Performance Contract between the Ministry of STI and each institution. The outcomes are not clear yet.

#### 5.5.2 Accreditation

Accreditation has also become an important issue to further accommodate an increasing internationalisation of Danish higher education. In the new University Act as implemented the 1 of July 2003 it is stated that a new accreditation mechanism should accommodate the increasing internationalisation of higher education. But the exact elaboration of these ideas has been postponed in view of the new University Act being developed (Ministry of STI, 2003a).

#### 5.5.3 Research

The evaluation of research is currently practiced on an *ad hoc* basis and no changes are made to that situation yet. Regarding research conducted in the universities, it is the responsibility of the management to assure, that the research meets scientific standards. In general every scientific programme, for instance those financed by the Danish Research Councils, is evaluated. The evaluation is conducted to assess the relation between the original goal and the results. The research conducted by the Governmental Research Institutions has to be regularly evaluated every 4th year according to a new bill proposed to the Danish Parliament by Minister of Science, Technology and Innovation.
6 Finland

In steering higher education government uses a number of instruments. The main instruments are legislation, the five year Development Plans for education and University Research and Ministry reports. In 2003, the Ministry of Education has proposed a draft of a new University Act and the government has decided on a new Development Plan for 2003-2008. In addition, the Ministry of Education had appointed a number of commissions and rapporteurs who reported on various issues. In the following sections, these instruments will be referred to.

There are two issues that have received relatively much attention, i.e. the time to degree and drop out.

6.1 Educational infrastructure

6.1.1 Faster and more efficient completion of university studies

Transition from education to work, the study times and completion rates of university degrees have been a concern of higher education policy makers since the 1960’s. The average age of completing a Masters degree in the Finnish universities is 27 years and that of completing an AMK degree is 25 years.

The study times vary by field of study. The target set for the completion of a masters degree is 5 years in most fields, 5.5 years for psychology and music and 6 years for medicine. However, only 20 percent of the students graduate in the target time and after 13.5 years only 70 percent have completed a master’s degree.

In various reports, a number of possible causes for these relatively long study times and high ages of graduates are identified: slow transition from secondary to higher education, part time studies, and deficiencies in teaching arrangements and student counselling. Students also tend to work alongside of their studies and to complete larger number of credits than the minimum amount of credits required for the degree.

Currently there are several initiatives to shorten the average study times and improve completion rates for university degrees. Plans include the development of new admission systems and discouragement of studying for more than one undergraduate degree.

6.1.2 Admission

There are some changes suggested for the admission procedures of universities and the criteria used in it. Firstly, in the draft University act the admission criteria for universities are to be changed so that applicants can be divided into groups based on their prior studies or other similar criteria. Equal criteria may be applied for the applicants belonging to the same group.
Secondly, a rapporteur appointed by the Ministry of Education is assessing possibilities for developing joint admission procedures for universities, as has already been done in the AMK sector. The rapporteur is expected to finish his report by the end of February 2004.

Thirdly, a suggestion is made in the Development Plan for Education and University Research for 2003-2008, to increase the intake of students from the Open University studies to degree education and to increase the possibilities to complete studies leading to a bachelor’s degree in Open University, excluding the actual bachelor’s thesis, which would still have to be completed in the regular university. Those completing a bachelor’s degree this way in the Open University would then be guided directly to Master’s programme in the regular university.

The new Development Plan includes quantitative targets for admission up till 2008. The targets are based on the prognosis of the Ministry of Labour of the developments in the professional structures and in the need of labour force. Based on this, the intake into education is suggested to be increased in technology and transport, and the intake into social and health sector is to remain the same. Intake into administration and business, tourism, food and cultural sectors, as well as natural resources, humanities and education sectors is to be decreased. Especially in humanities and natural sciences the completion rates in university education are to be increased considerably compared to the current situation. Specific adult education programmes for universities are proposed to be created. The aim is that by 2015, at least 50 per cent of those aged 30-34 have a higher education degree, compared to the current figure of 40 per cent.

6.1.3 Bachelor master

The bachelor master structure is not new in Finnish higher education. University degree structure was reformed in Finland in the beginning of the 1990s. In that reform bachelor's degree was introduced to almost all fields of study. Medical fields, technology and architecture did not adopt a two-tier structure at that time. Bachelor's degree is at the moment clearly an intermediate degree in most fields, because it is not an compulsory phase before the Master's degree. Bachelor's degree does not seem to have any major relevance at the labour market.

Compulsory bachelor?

In autumn 2003 the government proposed changes to the University Act including an introduction of a compulsory two-tier structure consisting of Bachelor’s degree (3 years) and a Master’s degree (2 years) in all fields of study, save for medical degrees. The students will be required to complete the Bachelor’s degree before moving on to Master’s degree courses. Along with the implementation of the compulsory two-tier structure, the curricula are to be reformed and core-competencies for each degrees are to defined to facilitate efficient completion of studies.
Post graduate AMK degrees
The Act on the experiment of the postgraduate AMK degree was enacted as of the beginning of the year 2002. Based on the Act, the first AMKs were granted the permission to grant postgraduate degrees by the Ministry of Education starting 1 August 2002. Three fields of study were included in the experiment, namely business and administration, social welfare and health and technology and transportation and within these fields specific focuses of postgraduate teaching were defined. Currently altogether 25 AMKs are running postgraduate programmes on one or more fields. The Act will remain in force for three years, i.e., until 31 July 2005. When passing the Act on the experiment, the Finnish Parliament also requested that the Finnish Higher Education Evaluation Council evaluates not only the training programmes accepted for experimentation but also the implementation and outcome of the experiment.

The general objectives of the experiment include the gathering of information and experience on the experimental model of the postgraduate AMK degree system, its structure and scope; the practical employment sector’s needs vis-à-vis the postgraduate AMK degrees; the working-life links of the postgraduate training; and the status of the AMK degree in the overall system of university-level degrees.

Diploma Supplement
All Finnish universities and AMK’s are obliged by national decrees to issue a diploma supplement to their students. On the recommendation by the Ministry of Education all Finnish higher education institutions use the Diploma Supplement format for this. Most universities and polytechnics issue now Diploma Supplement automatically, free of charge and in English to all students on graduation.

ECTS
The national credit system adopted in the 1970’s is used throughout the higher education system and is based on student's work load: one credit refers to 40 hours of student's work. It will be replaced in both universities and AMK’s by a system based directly on the ECTS from August 1, 2005 onwards.

AMK and the EHEA
The Ministry of Education has appointed a Rapporteur to evaluate the opportunity of AMK’s to actively participate in the activities of the European Higher Education Area. Additionally, the task of the Rapporteur is to assess the participation of the non-university higher education institutions in Europe in the EHEA and to make suggestions on how the international visibility and competitiveness of the AMK’s could be increased. The report with suggestions is scheduled to be completed by end of February 2004.
6.1.4 Study planning and guidance

As a new instrument in the reduction of study time and drop-out, the Ministry of Education has suggested to redefine the study right of the students. The plan is to allow students a maximum of two additional years to complete their degrees after the designated study times. Students may also register as absent for two years without this having an effect on their study right. After the study right has been exhausted, students may apply for extra time, provided that they have an acceptable explanation for prolonged studies and that a personal study plan has been agreed upon with a supervising teacher.

Also the maximum amount of credits that the student can complete is suggested to be limited and tied to personal study plans, which are to be implemented by 2006.

Flexible study rights

The Finnish university rectors have signed a national agreement on flexible study rights. All degree programme students on undergraduate and postgraduate level will be ensured equal opportunities to study minor subject studies4 in other Finnish universities irrespective of the university in which they have the right to complete their degree. Each university can decide on the principles for admitting students from other universities. Flexible study in other universities is free for the student. Student’s home university will pay the receiving university € 20 for the granted study right and € 80 for each completed study credit. The flexible study right has been piloted by the universities in the capital region since early 1990’s and to this date most universities have had bilateral agreements on flexible study right. The reform will be implemented as of 1 August 2004.

6.1.5 Regional strategy for education and science policy

A new regional strategy for education and science policy has been prepared by the Ministry of Education. The strategy covers all education sectors from primary education to higher and adult education and aims at securing educational services in all parts of the country e.g. by making use of new learning methods and ICT. Based on cooperation between higher education institutions and other regional actors, the strategy aims at developing the different strengths of universities and AMK’s in order to increase the impact of the higher education institutions in their own regions. The AMK network is to be developed based on larger basic units supported by smaller local units. The regional impact of universities is to be strengthened based on developing the activities of existing university centres in areas where there is currently no main university campus.

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4 The role of minor subjects vary from one field of study to another; in some cases there are no minor subjects, in others certain minor subjects are compulsory, yet in others the students can choose minor subjects freely. The unlimited study right in universities has made it possible for students to add additional minor subjects to their degrees.
Regional innovation systems rely heavily on both scientific research and the expertise of the AMK’s, therefore the regional strategy also includes measures to increase the efficient use of research and development results in regions. The activities of universities and AMK’s within science and technology parks is to be increased and their mutual cooperation strengthened. Additionally, in the new draft University Act a new the task is assigned for the universities requiring them to interact with the surrounding society and to promote the societal impact of research results. The strategy reaches up to the year 2013.

6.1.6 New Strategy for the Finnish Virtual University

The Finnish universities established in January 2001 a consortium for the Finnish Virtual University (FVU) to increase cooperation between the Finnish universities on matters related to the use of ICT in education, administration, student counselling and in organising support services for research. FVU does not provide academic education itself, and does not have the authority to award degrees. For the years 2001-2003, the Ministry of Education financed FVU activities by € 8.4 million annually. Half of the total sum was directed to the universities and the other half was directed to three types of national networks: subject-specific or interdisciplinary networks developing joint courses using ICT, projects developing support services for online education, and regional networks. For 2004, financing will continue with € 9 million, and it is expected to continue at this level till the end of 2006.

In February 2003 FVU adopted its first strategy extending to the year 2005. The vision set out for FVU is defined as follows: “By the year 2005, high-quality, ethically and economically sustainable modes of operation in network-based education and research will be in widespread use in Finnish universities.”

The strategy outlines the basic concepts and values guiding the functions of FVU and provides a basis for a restructuring of the FVU to include a permanent, legally competent service unit which is able to provide services for the partner universities at a cost price from 2005 onwards. The previous loose project organisation model is deemed inadequate for the future development of the FVU.

6.2 Research infrastructure

6.2.1 Research and innovation capacity

The Finnish science is internationally valued and the Finnish innovation system has excelled in many international evaluations. The research and development capacity of the higher education institutions is proposed to be strengthened further in the Development Plan for Education and University Research for 2003-2008. The most important challenges for further development are the continued internationalisation of
the science and science administration, strengthening of researcher education and development of the whole research system. To this end, the Science and Technology Policy Council of Finland is to evaluate the structures of the public research system by the end of 2004.

6.2.2 Evaluation of the Academy of Finland

To the same end, an international evaluation of the activities of the Academy of Finland is to be completed by March 2004. The Academy of Finland is an expert organisation in research funding and science policy. The purpose of the present evaluation is to support further development of the Academy of Finland and science policy in Finland. The International Evaluation Panel is asked to assess what are the Academy's strengths and weaknesses in relation to its role in promoting and funding research in Finland, and in particular, what opportunities and challenges does the Academy have.

6.3 Finance

6.3.1 Broader scope for universities to manage their own finances

The draft for the University Act includes proposals regarding the possibility of the universities to manage their own finances. The legislation is proposed to be changed so that the universities could manage separately from the state budget those assets they have gotten from private parties as donations or funds gained from utilising research results. They should also be free to make independently the legal agreements regarding those funds.

6.3.2 Student financial aid

There are currently two proposals related to student financial aid.

Firstly, the government has issued a proposal on the amendment of the Act on Student Financial Aid. In future, student financial aid can also be granted to a foreigner who resides permanently in Finland and whose purpose of stay is other than studies. The purpose of the stay is determined on grounds provided in the Aliens Act. The Act on Student Financial Aid will no longer provide any fixed period which the applicant must have resided in Finland prior to the granting of aid. The Act is scheduled to enter into force in August 2004.

Secondly, a rapporteur set by the Ministry of Education has suggested reforms for student financial aid to promote speedier completion of degrees. Currently the student financial aid system consists of grants and state guaranteed loans. The state study grant consists of a basic grant and a housing subsidy. Students receive a grant of € 259 per month, the loan is € 220 per month. The housing subsidy covers 80% of reasonable housing costs, i.e. of € 214, thus resulting in a subsidy of maximum of
€171.5 per month. The financial aid is granted for a maximum period of 45, 50 or 55 months per one basic degree and up to 70 months in total. The study grant is subject to tax and is dependent on the student’s annual income.

According to the proposal by the rapporteur, the loan is suggested to be increased by € 50 per month. The amount of “reasonable housing costs” is to be increased to € 252 per month, thus increasing the maximum housing subsidy by € 30 per month. At the same time, the maximum amount of months that the student can receive financial aid is to be decreased by five months. A new incentive for speedier completion of studies is suggested to be introduced by granting a tax subvention on study loans for degrees completed in the normative study time. The tax deduction of 30 per cent for the loans exceeding € 2500 would be made within ten years from graduation. Especially the suggestion to decrease the amount of months of student support is contentious and has been condemned by the student organization in Finland.

6.3.3 Funding of higher education in 2004

According to the proposed budget, the funding of the universities will increase by altogether € 70 million for the year 2004. The targets for 2004-2006 are approximately 14 064 master’s degrees and 1450 doctoral degrees completed annually in the universities, which means an increase of approximate 10% compared to the current targets. The study places for AMK’s are to be increased by 250 places (from 2003 figure of 24 500) in degree programmes for young people and by 230 places (from 2003 figure of 1445) for AMK teacher education.

Research funding is to be strengthened by increasing the funding channelled for research through Academy of Finland by € 20 million. Research funding is focused based on quality of research and at the same time funding for new research areas is guaranteed. Public research funding is to be increased by 20% by the year 2007, compared to the 2002 level of € 1,4 billion.

New financial incentives are suggested to be introduced for higher education institutions to encourage faster completion of studies. This includes e.g. introduction of the bachelor’s degree into the funding formula of the universities for the funding agreements in the period 2007-2009. At the same time two performance indictors are suggested to be added to the performance funding: namely the percentage of students completing their studies in the targeted study time as well as the percentage of fulltime students (compelling 45 ECTS per year).

6.4 Governance

6.4.1 University boards to be changed

The Ministry of education proposal for the new university Act includes changes for the composition of the university boards. According to the current legislation, maximum
one third of the university board can consist of persons not belonging to the staff or the students of the university. According to the new proposal, there should be at least one external representative in the university board. The existing cap on external members will remain. The election of the rector of the university is proposed to be changed from the election collegium to the university board. The act is to be implemented as of 1.8.2005.

6.4.2 The new legislation on AMK’s

The new legislation on AMK’s has come into force as of 1st August 2003. The task of the AMKs is to provide higher education for vocational specialists. Their tasks also include research and development serving polytechnic education, as well as working life and regional development. The AMKs are granted autonomous administration of their internal affairs. The AMK administration will in future be the responsibility of the Rector and the Board, which is appointed by the authority in charge of the AMK. When passing the new law, the parliament has also expected that the funding system of the AMK’s will be renewed into more incentive oriented, that the role of the student unions will be clarified and their financial situation improved, and that students will be guaranteed health care in the vicinity of their study place.

6.5 Quality

6.5.1 High quality units in universities and polytechnics

The Ministry of Education has appointed 20 units of high-quality education in universities for 2004-2006 based on a proposal by the Finnish Higher Education Evaluation Council. Five universities of high-quality adult education are also appointed for the same period. Most of the high-quality units are to be nominated in the Universities of Helsinki and Oulu. Units offering both basic and postgraduate studies can be nominated as units of high-quality education. Assessment criteria used by the Finnish Higher Education Evaluation Council include the purpose, aims and implementation of education. A characteristic shared by all the units of high-quality education is that they all have proof of creating something new.

Also four AMK’s were appointed as Centres of Excellence for Regional Development Impact for years 2003-2004. Based on a proposal by the Finnish Higher Education Evaluation Council, Häme, Laurea, North Karelia and Seinäjoki AMKs are appointed as the centres of excellence. The evaluation criteria included the role of the polytechnic in the innovation environment, the viability of the regional development activities, systematic planning and efficiency, as well as results achieved by the polytechnic in terms of regional impact and working life contacts.
7 Flanders

7.1 Educational infrastructure

7.1.1 Bologna follow-up

As a follow up to the Bologna Declaration, in 2003 several new acts have been approved and/or drafted. The act on restructuring higher education in the Flemish Community (Structuurdecreet) has been approved by parliament on 4 April 2003. Together with this act, it was decided that an advisory committee to government on the implementation and transition process would be set up (Erkenningencommissie, see paragraph 7.4.1). An act on flexible learning paths in higher education (Flexibiliseringsdecreet) as well as an act concerning the legal status of students, their legal protection and their participation in the administration of higher education institutions and associations (Aanvullingsdecreet) have been drafted as a follow-up to the Structuurdecreet. The Aanvullingsdecreet is discussed in paragraph 7.4.2.

Structuurdecreet

There are three main objectives of the Structuurdecreet (Ministry of the Flemish Community: administration of higher education and scientific research, 2003). First is the introduction of a two tier system. In this system a Bachelor Degree will take 180 ECTS study points and a Master Degree is obtained after another 60 to 120 ECTS study points. Medicine is an exception to this rule, as this will take longer. Another possible exception to the general rule could be the recently launched idea for a research master; this is a master-after-master, which should prepare students for a career in scientific research (Ministry of the Flemish Community, 2003i). The new Bachelor- and Master-titles are introduced as of 2004-2005. However, former graduates will also be allowed to use these new titles (Ministry of the Flemish Community, 2003h).

The second main objective is the strengthening of links between fundamental and applied research through closer co-operation between universities and hogescholen. The two types of higher education institutions can form so-called "associations" (associaties). These associations provide the opportunity to reform the former two cycle non-university higher education into a Bachelor-Master's programme of academic level.

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5 "An association is a co-operative venture between an university and one or more hogescholen established voluntarily, on the one hand, by a single Flemish university which will be able to organise both bachelor's and master's programmes in the future, and on the other hand by other [one or more] institutions of higher education. The participation of students and staff is ensured by their representation in consultation bodies to be established, and in the general assembly of the association" (Ministry of the Flemish Community: administration of higher education and scientific research, 2003: 15).
This process is referred to as the academisation of the two-cycle education (Ministry of the Flemish Community, 2003g).

A final objective is the reform of the quality assurance system, which is discussed in paragraph 7.5.

**Flexibiliseringsdecreet**

The *Flexibiliseringsdecreet*, which was adopted at the end of 2003, establishes ECTS as the national credit system. On the whole, "the increase of flexibility, with the help of the new credit system and recognition of qualifications and competencies, is expected to broaden access to higher education for other publics, e.g. mature students that combine studies with job and/or family responsibilities (Ministry of the Flemish Community: administration of higher education and scientific research, 2003). Before, Flanders had a "year system" where students were assessed on the basis of the whole year. With the new credit system, credits can be accumulated over time and students can receive certificates for the credits obtained. Credits are valid for a minimum of 5 years. With this new credit system, the intentions of the act are, first, to expand the opportunities for different types of mobility (between programmes and/or institutions). Second, to expand the possibilities for differentiation in modes of delivery, specifically for certain target groups in higher education. A final intention is widening opportunities for life long learning as higher education will be more open to different target groups, such as new entrants from different types of education (*neveninstroom*). Additionally, the institutions of higher education can give certificates for the recognition of qualifications and competencies not obtained through official education, and thus obtained without an official diploma. This should also expand access to higher education to a broader public. (Ministry of the Flemish Community: administration of higher education and scientific research, 2003; Ministry of the Flemish Community, 2003c).

The Flemish Education council (VLOR), as well as the Flemish interuniversity council (VLIR) and the Flemish council for higher professional education (VLHORA) endorse in broad lines the content of the act. Although all three councils in general agree with the content of the act, they all point out that with the current financial means for the institutions, it will be difficult, if not impossible, to implement all parts of the act and truly achieve more flexibility in Flemish higher education (VLHORA, 2003; VLIR, 2003a; VLOR, 2003b).

### 7.1.2 Entrance exam for doctor and dentist

The programmes for medicine and dentistry have, since 1997/98, an entrance exam. In 2002, the Minister lowered the minimum score necessary to pass the exam, as she noticed the number of new entrants to these programmes was too low. The number of new entrants was almost lower than the number of graduates that would be allowed to practice after 7 years of study. The number of practitioners is controlled by the federal health insurance, who only allow a certain number (420 doctors and 84 dentists) of
graduates in their insurance. At that time, 150 of the 606 persons who had passed the entrance exam did not enrol in one of the programmes.

The statistics on the entrance exam of 2003 show that the number of new entrants has increased to 706 new entrants. The Minister is convinced that this number is not too high (considering the entrance number to insurance), as not all specialists are subject to the quotation by the health insurance, some graduates will pursue a career in research, and drop-outs are taken into account (Ministry of the Flemish Community, 2003e).

7.1.3 Study centres open higher education

In 2003 an amount of € 632,000 was provided for the funding of Flemish study centres for open higher education. These centres, six in total, are associated with Flemish universities. They provide information, guidance, co-ordination and organisation for everyone who wants to enrol in a programme of the Open University.

7.2 Research infrastructure

7.2.1 Strategic basic research

In 2003 the regulations and budget regarding strategic basic research were finalised. This type of research is situated between fundamental scientific research and applied research by business. The intention of this research is to develop knowledge with broad as possible economic or societal uses. All disciplinary domains are eligible for funding and collaboration between different institutes is stimulated. Projects are to be selected on the basis of scientific quality and societal or economic relevance. The first selection of projects took place in July 2003 and a budget of € 35 million was available. The budget is administered by the Institute for the Promotion of Innovation by Science and Technology in Flanders. (Instituut voor de aanmoediging van Innovatie door Wetenschap en Technologie, 2004; Ministry of the Flemish Community, 2002, 2003f).

7.2.2 Action-plan scientific information and innovation 2003

The Flemish government approved the action-plan for scientific information and innovation 2003 with a budget of over € 8 million, of which over € 750,000 is reserved for projects aimed at improving the popularity of scientific knowledge. The following general goals were laid down in the action-plan. The first goal is providing information on scientific knowledge and research to the public. Second, interest in scientific research and innovation needs to be aroused. Justifying the expenditures on this subject is a third goal and the fourth general goal is to create a culture that welcomes technological innovation. On the whole, awareness by the public for scientific research
and innovation needs to be raised (Ministry of the Flemish Community, 2003b; Ministry of the Flemish Community: Administratie Wetenschap en Innovatie, 2003).

### 7.3 Finance

#### 7.3.1 Student support

In the policy letter Education and training 2003-2004 (Beleidsbrief Onderwijs en Vorming 2003-2004) the Minister announces a draft act on all student-related funding, concerning mainly the areas of student support, student services and student mobility. The new act takes new societal needs into account and adjustments needed because of the implementation of the act on the restructuring of higher education, the act on flexible learning paths and the internationalisation of higher education. The act is expected to be formalised in the academic year 2004-2005 (Vanderpoorten, 2003).

### 7.4 Governance

#### 7.4.1 Erkenningscommissie

The act on restructuring higher education in the Flemish Community foresaw in the setting up of an advisory committee to the government, the Erkenningscommissie, which was officially appointed in July 2003. The tasks of this committee lie in the area of monitoring and guiding the process of the actual implementation of the act in the transition period. The committee should advise on the macro efficiency of new programmes, the temporary recognition of a programme and the conversion of the current programmes to the new Bachelor-master-system. The committee does not accredit programmes (see 7.5) but its work is tuned with the work of the NVAO i.o. As was also advised by the VLOR, the members of the committee are all knowledgeable on Flemish higher education, yet each bring in a specific area of expertise, such as experience in another country with the introduction of a two-tier-system. (Ministry of the Flemish Community, 2003d; VLOR, 2003c).

#### 7.4.2 Aanvullingsdecreet

The act concerning the legal position of students lays down the minimum guarantees on this subject, as, in principle, this should be guaranteed by the institutions themselves. The basis for these guarantees are the fundamental principles of proper governance. The act furthermore states that each university, association or hogeschool should have a student council and provides two models for student participation in the administration at the central level of the institution: the collaborative model (medebestuur) and the participation model (participatief model) (Ministry of the Flemish Community, 2003a). The VLOR is positive about this act and appreciates the autonomy left for the
institution. The VLIR, however, fears an unnecessary increase of regulations and administration (VLIR, 2003b; VLOR, 2003a).

### 7.5 Quality assurance

In September 2003 Flanders and the Netherlands signed a treaty on the co-operation in accreditation. The treaty foresees in the founding of a joint accreditation organisation. The Netherlands had already set up an accreditation organisation (NAO) in 2002, with the aim of, in a later stage, co-operating with foreign countries in the area of accreditation. A Flemish observer was already part of the NAO and previously, the Netherlands and Flanders worked together in the former quality assurance system of both countries, the visitation scheme. With the signing of the treaty, the Dutch accreditation organisation was renamed to the Dutch-Flemish accreditation organisation in formation (NVAO i.o.). In December 2003 six Flemish boardmembers of the NVAO were appointed, who started their work in January 2004 (Ministry of the Flemish Community, 2003j).

The aim of the NVAO i.o. is to ensure and promote the quality of higher education in the Netherlands and Flanders. The organisation will accredit all the current and new programmes in Dutch and Flemish higher education. Furthermore, it will work on the European and international dimension of accreditation and maintain as well as promote international contact in this area to arrive at tuning and coherency with these foreign contacts (NVAO i.o., 2003).
8 France

8.1 Education infrastructure

8.1.1 Bachelor Master

Since 23 April 2002 universities may start new programmes leading to a Licence degree new style. 51 New Licence programmes (at 14 universities) were approved in 2003. In 2006, all universities should have implemented a licence-master-doctorat (LMD) structure.

In November 2003, student strikes fuelled the discussions on the new degree structure. Students were afraid that the new degree structure would lead to the loss of the national character of the existing degree structure, and would introduce more selection. The Minister denied the accusations and stressed that the existing structure (bacc+2 and bacc+4) will remain part of the system after 2006.

To keep the national higher education system consistent and transparent, a licence monitoring committee was established in May 2003. (Ministère jeunesse, education et recherché, La rentrée universitaire 2003, dossier de presse, 22/10/03)

In 2003, Master programmes have been developed (on an experimental base) at 12 universities.

8.1.2 Numerus clausus in medical disciplines

Government expects large shortages in medical staff. Therefore, the number of place available in medical programmes (including pharmacy, dentistry and midwifery) is to be increased in 2004 by around 6 to 10%.

8.1.3 New procedure for the restricted entrance into CPGE

In 2003, a new procedure for the access to CPGE was put in place, to enhance the possibilities of all those pupils who want to enter and are eligible and to optimise the use of the capacity of the CPGE.

8.1.4 Accrediting prior experiential learning

In January 2003, a new measure for accrediting prior experiential learning (validation des acquis de l’expérience) was adopted. It modifies the conditions of access and the procedure for accrediting prior learning. The goal of the measure is to increase and diversify the public seeking the accreditation of prior work experience.

The measure in detail:
The prior work experiences taken into account have been enlarged to include experience acquired in the context of an unwaged or volunteer activity.

- The minimum length of the experience required for access to accreditation of prior learning has been reduced from 5 years to three years.

- The field of certifications accessible though VAE has been enlarged to cover a greater number of vocational diplomas and titles and certain vocational qualification certificates.

- Candidates now have the possibility of obtaining the whole of a title or diploma through VAE (source: Labruyère et al).

8.1.5 Student mobility

As part of the contracts of higher education institutions, government has made available scholarships for mobile students (4000 in 2002, 5000 in 2003).

8.1.6 Staff policies

In an advisory report to the minister, the Belloc committee suggested to formally diversify the tasks of the university core academic staff (enseignant-chercheurs). In addition to teaching and research, this staff should also be remunerated for their activities in other areas like administrative tasks and PR. Belloc urged the minister also to have a more systematic and rigorous evaluation of staff and to improve the remuneration methods by incorporating performance criteria.

8.2 Research policy

In January 2004, a number of researchers wrote an open letter to the minister with a call to save public research in France. By the end of that month over 30,000 academic staff members signed this outcry. It was stated that the resources made available, in terms of funds and of posts, have gone down at a rate that poses a threat to publicly funded research (see http://recherche-en-danger.apinc.org/). The minister refuted those allegations in a letter to the researchers (Ministère délégué à la Recherche et aux Nouvelles Technologies, 2004).

8.3 Governance

8.3.1 Decentralisation

In May 2003, the Minister presented a plan to increase autonomy of higher education institutions to modernise the universities and allow them adapt to new challenges of international competition, more professionally oriented education and partnerships with local authorities. The reforms, in line with the government’s general decentralisation
policies, would give universities greater financial autonomy (with global budgets to include spending of staff). The age of staff eligible to vote for a university’s president was also to be broadened and it would become easier to amend university statutes. The reforms aimed also at developing closer links between universities and regions.

The plan was to present it to the national assembly at the end of June 2003, but it was postponed in May (Marshall, 2003). After strikes in November, the plan was further criticised (even by president Chirac). The students were afraid the competition between universities (they thought the plans would invoke) would lead to a raise of fees, more entrance selection and the loss of the national character of degrees. University presidents opposed these criticisms as misconceptions and manipulations. They argued that universities need to modernise. The Minister promised after this a new plan in December 2003, which was to be discussed during the first months of 2004 but was postponed till June 2004. He stressed that none of the alleged threats would happen and that the competition he wanted to stimulate was between French and American universities and not between French universities.

8.3.2 Contractual policy

The contractual policy allows higher education institutions to confirm their own identity, within a coherent national policy. 200 higher education institutions participate in this policy, in four ‘waves’. The yearly amount of funds allocated through the contracts was € 519 mln in 2002. The contracts consist of three parts: research (47%), properties and estates (20%), and other activities (like student life, new technologies, libraries and teaching) (33%).
9 Germany

9.1 Introduction

Higher education policy in Germany is mainly in a period of implementation of regulations decided in the past (Dienstrechtsreform, Bachelor Master, 5th and 6th amendment of the Higher Education Framework Act) and in a period of discussing further policy reforms in the area of higher education finance, tuition fees, evaluation and study reform. For the next steps in higher education policy reform the federal government offers the Länder a “Pact for Universities” which includes aims such as the “reduction in the rate of students dropping out of university and shortening of the duration of study through comprehensive improvements in conditions of study; a logical system of support for new students; further internationalisation of universities; and reinforcement of university autonomy and profile formulation” (Federal Government 2003). An easier access to study courses for professionally qualified people is also on the agenda of the federal government.

Public discussions about higher education in the second half of 2003 were dominated by huge student strikes and demonstrations against the cutbacks in higher education funding in several Länder (e.g. Bavaria, Berlin, Hesse, Lower Saxony, Saxony, Saxony-Anhalt).

9.2 Educational infrastructure

9.2.1 Bachelor Master

In 2003, the Kultusministerkonferenz (KMK; the Standing Conference of the Education Ministers of the Länder) published “Ten Theses for the Structure of Bachelor and Master in Germany” (KMK 2003a) and decided on “Cross-State Guidelines of the Structure for the Accreditation of Bachelor- and Master Study Courses” (KMK 2003b). These guidelines describe options for designing a study course. The main changes of these guidelines to previous ones are:

- study courses may now be consecutive, non-consecutive or further educating;
- all holders of a Master degree obtain the right to make a doctoral dissertation, regardless whether the degree is obtained at a university or a Fachhochschule;
- the aspiration level of all master courses should be the same nonetheless their orientation towards application or research.
9.2.2 Access

In 2003, the federal states agreed on new rules for the placement of students on study places in special subjects through the Zentralstelle für die Vergabe von Studienplätzen (ZVS; Central Agency for the Placing of Study Places). In case of a successful decision of the Bundestag and Bundesrat in 2004, the Länder may choose between two models of placing students to places. The models should help universities to strengthen their own selection of students.

The federal state has created an initiative to synchronise the opportunities for professionally-qualified people without a school-based higher education access entitlement on the level of the Länder.

9.2.3 Drop out

The federal government has put drop out on the political agenda. The government argues that drop out is a waste of individual and societal resources. A recent study (HIS 2003) showed that 27% of the students leave universities without degree. 71% of the interviewees identified the study conditions as an important reason in their decision to drop out. Therefore, the federal ministry argues that a better organization of study courses will reduce drop out.

9.2.4 Federal versus state

There is a general discussion on the division of tasks between the federal government (Bund) and the states (Länder) through a so-called Föderalismusreform. In these debates the division of tasks in higher education and research is also questioned. The issues are the financing of Hochschulbau (investment in buildings) and a big part of the non-university research centers (such as Helmholtz-Gemeinschaft, Fraunhofer-Society and Max-Planck-Society). The federal government wants to reduce its contribution to new or renewed buildings and equipment on the one hand but on the other hand it wants to gain more responsibility for non-university research centers. A new regulation is under discussion.

This proposed policy is criticised by universities because they fear that the Länder will invest less than before and by scientists because they fear that the political pressure will increase when only one political institution (the federal government) is responsible for it.

9.2.5 Private higher education

The situation in 2003 is still quite the same as in 2002. In quantitative terms, private higher education institutions enrol only 1.8% of the overall student enrolments (www.hochschulkompass.de). Some private higher education institutions, all of which enrol only 1.8% of the student body, have financial problems. In Baden-Württemberg
one institution closed, others applied for public support. Each Land deals differently with this situation.

The universities of Ulm and Stuttgart have founded the German University Cairo (GUC), Egypt, which is a private university. The GUC is an outsourced part of both universities and is integrated in the programme for exporting German higher education supported by the Federal Ministry of Education and Research and the Deutscher Akademischer Austausch Dienst (DAAD; German Academic Exchange Service). The five technical-oriented study courses base on German curricula but are taught in English. The students will learn German also because they should be prepared for semesters in Germany and internships in German companies.

9.2.6 Stiftungsuniversitäten

A group of six universities has been granted the status of Stiftungsuniversität which means that they have become owners of their own buildings and land and have a high degree of financial and personnel autonomy.

9.2.7 Staff

All reforms about staff structure and salaries (5th amendment of Hochschulrahmengesetz, Professorenbesoldungsreformgesetz) are being implemented. According to the federal government, the introduction of junior professors is already a success. The funding of 800 positions as junior professors were guaranteed till July 2003. An analysis from February 2003 showed that 25% of the new junior professors were women and 15% came back from foreign countries. Despite this success, there is one Land (Bavaria) which is keeping the Habilitation as a condition for obtaining a chair.

The opening of the Beamtenrecht for Land-specific adjustments affects the university staff who are Beamte, mainly professors, as well.

In 2003, a number of universities created agencies that have to exploit patents from university employees. They take advantage over a new law, the Arbeitnehmererfindungsgesetz, introduced in 2002, which gives the universities the opportunity to own the rights on patents of employees.

9.3 Finance and governance

9.3.1 Tuition fees

In the new Hochschulrahmengesetz, it is explicitly forbidden to set tuition fees for study programmes of public higher education institutions with the exception of Langzeitstudierende (students who stay excessively long in higher education) and further education, including further education Master programmes. In 2003, Northrhine-Westphalia, Rhineland-Palatinate and Bremen introduced different types of
Studienkonten which means that students do not have to pay tuitions fees for Bachelor- and Master-programmes. Although these Studienkonten are quite often referred to as educational vouchers, they have a much more limited scope\(^6\). In some federal states unused vouchers may be used for further education. Thuringia has started tuition fees for long term students as a kind of “punishment” and incentive to lower lengths of study. There are, however, calls from many in and around higher education to introduce tuition fees. More and more politicians from the federal government supporting parties advocate tuition fees. Also the new president of the Rector’s Conference, Prof. Gaethgens, supports the introduction of tuition fees. But the huge student demonstrations and strikes in a number of Länder show that there is still an opposition against tuition fees.

9.3.2 Contracts and agreements

In some Länder governments have agreed upon covenants with the higher education institutions (e.g. Hessen). Such a covenant (Hochschulpakt) is an agreement on targets and financial means to reach those targets for the middle-range future. However, the covenants are not guaranteed: the Parliament is allowed to step back from it.

On top of these Hochschulpakte, which are rather abstract arrangements, some Länder started with special instruments of contract management (Zielvereinbarungen). For example in Nordrhein-Westfalen all universities and Fachhochschulen defined projects to build up their profiles and fixed them in 3-year-contracts with the ministry. In Niedersachsen, a progressive higher education law was passed that gave significant leeway to institutions regarding their internal governance and organisation structure. Steering will be largely through agreements on targets (Zielvereinbarungen).

9.4 Quality

The organisational statute of the Akkreditierungs rat (Accreditation Council) accreditation council in Germany was changed in 2002 by the KMK. Since January 2003 the accreditation council is closer connected to the KMK.

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\(^6\) The money is not given to the students, the ‘vouchers’ are not fully interchangeable; they can be used only after a regular undergraduate programme.
10 The Netherlands

10.1 Educational infrastructure

10.1.1 Lectorate and knowledge circles in HBO

Although the rank of lector as the highest rank exists in the hogescholen since the new staff structure of 1993, the hogescholen did not (or could financially not) utilise this rank for further staff differentiation. This has changed since the government has made funds structurally available (for a four-year period) to appoint more lectors. In 2002 about 60 lectors have been appointed, a number that will increase substantially in the next few years. It is important to note that a lector should not be associated with the traditional rank of lecturer or reader at universities. The lector at the hogescholen has a highly qualified profile with much expertise in the subject field and in the professional domain. The leading idea is that lectors will not be appointed as isolated staff members, but as leaders of a so-called ‘knowledge circle’ consisting of a group of 10-15 staff members. The knowledge circle aims to enhance contacts and knowledge exchange with industry (for example in the field of applied and developmental research, and consultancy). Through such a circle the lector plays a crucial role as the ‘external face’ to strengthen the linkages between hogescholen and industry and other organisations in a particular subject field. Lectors are expected to acquire contracts from outside and to develop well-functioning professional networks. A special foundation has been established which plays a key role in awarding applications by hogescholen to install a lectorate. The funds allow to appoint a lector plus the funding of activities of staff and other members in a knowledge circle.

10.1.2 Science and engineering

In 2002 the European Commission proposed five European benchmarks, one of which was on the number of graduates in mathematics, science and technology\(^7\). Although the European Commission did not intend those benchmarks to be concrete targets for individual countries, it played an important role in the discussions in Dutch higher education. These discussions can be clustered around two events: the creation of the Innovationplatform (see below) and the publication of the ‘Deltaplan bèta en techniek’ in 2004. In this report a number of policies and instruments are proposed to raise the


\(^8\) ‘the total number of graduates in mathematics, science and technology in the European Union should increase by at least 15% by 2010 while at the same time the level of gender imbalance should decrease’.
level of inflow in science and engineering programmes, to reduce drop-out from those programmes and to minimize the ‘loss’ of graduates in the transition to the labourmarket.

**10.2 Research infrastructure**

### 10.2.1 Staffing: AiO’s

Contrary to postgraduate research training elsewhere, Dutch research trainees hold a distinct academic position. They are appointed in principle for a standard four-year period and are treated as members of the academic staff. Parts of them were until recently employed by the research councils with a slightly different employment status, but at present all research trainees are employed by the university. The general status and the working conditions (e.g. the double status of being a student and employee at the same time) of AiO’s has been subject to much debate in the last few years. In 2003 the organised body of AiO’s advocated the abolishment of the student status and strived for a complete employment status. They argued that whereas in many other employment sectors further training is generally accepted in modern employment relationships, the universities as modern labour organisations should apply such a view also to their research trainees. In the collective labour agreement of 2003, salaries of all AiOs have increased substantially, whereas all other academic personnel showed a more modest wage development. According to the new salary structure, AiO salaries will climb in three steps towards a normal salary scale, acknowledging their full employee status.

### 10.2.2 Innovationplatform

The Netherlands has slipped from the third (in 2000) to a fifteenth place in the league table of most competitive countries published by the World Economic Forum (LINK). It has become less attractive as a business location due to excessive regulation, poor accessibility, the crime rate and a lack of physical space. The Dutch government wants to make the Netherlands a top-ranking business location again. One of the means to achieve this is the establishment of the so-called “Innovationplatform”. The Dutch government established this platform to stimulate innovation in the Dutch economy. The platform, comprising leading figures from the scientific and business communities and headed by the Prime Minister, will make recommendations on the application of knowledge and research. It will also advise on how to spend €185 million earmarked for knowledge and innovation (knowledge workers, high-tech startups, research, and collaboration between industry and so-called “centres of excellence”). Its activities are

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9 Enders and de Weert
in line with the EU’s Lisbon strategy to bring about economic renewal (www.regering.nl, 2003).

10.3 Finance

10.3.1 New funding mechanism

As was reported in the update on higher education policy issues 2003 (Kaiser. F., and H. Vossensteyn, 2003) in 2003 the BaMa model has replaced the PBM model with respect to the funding of higher education institutions. In the new BaMa model, contrary to the PBM model (in which only one type of university diploma can be obtained) the diploma-based allocation is based upon both the bachelors and masters diplomas. The difference in tariff between Bachelor and Master degrees will be 2 : 1, implying that universities will receive twice as much for a bachelor degree as for a master degree. The tariffs further differ between humanities/social studies versus science/engineering versus medically oriented sciences in the relationship 1 : 1,5 : 3.

A second change can be seen in the research component. In the PBM model the research component consisted of the following parts:

(a) a fixed amount for each university
(b) allocation for dissertations and designer certificates (in Dutch: ontwerperscertificaten)
(c) allocation for research schools (in Dutch: onderzoekscholen)
(d) allocation for excellent research schools (in Dutch: toponderzoekscholen)
(e) strategic considerations allocation.

In the old PBM model component (a) was based upon fixed allocations per university. In the new BaMa model, the link between the research budget and the number of diplomas (both bachelor and masters) has been (re)introduced, as was also the case in the allocation models that preceded the PBM model (Boezerooy, 2003).

The transition towards the BaMa system led to extensive debates on the principles of the funding methods for higher education in 2002. These discussions continued in 2003 and primarily focused on funding mechanisms that best fit the bachelor master structure. Important questions concerned the introduction of a demand driven funding model for Master programs, whether masters that differentiate in duration will also receive different levels of public subsidy and whether master programs from hogescholen and private higher education institutions would become eligible for public funding. Another question is whether bachelor programs of universities and of universities of professional higher education should be equally treated according to one single funding model (Boezerooy, 2003).
10.3.2 Funding of research

With respect to the funding of research at universities, a debate has been going on during 2003. Until now, research funding is primarily based on historical distributions (component (e) the strategic considerations allocation). Since the relative size of institutions changes over time, this may lead to some problems. To compensate for such changes, but also to make the academic profession more attractive for young (potential) researchers and to stimulate social relevance and quality, a debate is going on to make research funding more dynamic and depended on annual agreements set up by each university and the Ministry of Education, Science and Culture (Boezerooy, 2003 and Nijs, (gelijkheidsdeken, 2003).

10.3.3 Tuition fees

The major discussions on tuition fees in 2003 related to the issue of differential tuition fees. The Ministry of Education Science and Culture took on the discussion for a number of reasons. A first reason was to allow institutions to charge higher contributions in return for greater quality programs. A second reason was to differentiate fees in order to make particular subjects more attractive, like science, engineering and teacher training. In the debate followed on the proposals opponents fear that differential tuition fees would harm access for poor students and it is questioned whether leaving the equity principle and the public costs involved can be justified by the expected number of extra students attracted to the desired programs.

10.3.4 Student support

Closely linked to the tuition debate, also the system of student support is under discussion. In July 2003, the Committee Vermeend (installed to investigate the opportunities of an introduction of a graduate tax system or income contingent loans in the Netherlands) reported its findings. The key element of the report is that, due to current law, a graduate tax system is not applicable in the Netherlands. The Committee is in favour of the introduction of an income contingency loan system (in Dutch: leenstelsel) in the Netherlands. The Committee reported about the pros and cons of the following systems:

- a grant system (non-refundable)
- a social loan system (refundable depending on future earnings)
- a “pure” loan system (refundable)
- a combination system of grants (non-refundable) and loans (refundable)
10.4 Governance

10.4.1 Performance agreements

Every four years, the minister presents a planning document in which the main proposals regarding higher education are drafted: the Higher Education and Research Plan (HOOP). This document is the basis for a consultation with the stakeholders in the higher education field. One of the plans of the Minister is to introduce new elements in the government steering of higher education institutions. In the HOOP, the Minister has formulated a number of goals or ambitions. The Minister proposed that the individual higher education institutions take those ambitions on board in their institutional planning. Based on those operationalised ambitions, the Minister wants to draw individual performance agreements. What will be in those agreements and what the consequences of not meeting the agreements will be is not yet decided.

10.5 Quality

10.5.1 Accreditation

In September 2003 Flanders and the Netherlands signed a treaty on the co-operation in accreditation. The treaty foresees in the founding of a joint accreditation organisation. Before the signing of the treaty, the Netherlands had already set up an accreditation organisation (NAO), with the aim of, in later stage, co-operating with foreign countries in the area of accreditation. A Flemish observer was already part of the NAO and previously, the Netherlands and Flanders worked together in the former quality assurance system of both countries, the visitation scheme. With the signing of the treaty, the Dutch accreditation organisation was renamed to the Dutch-Flemish accreditation organisation in formation (NVAO i.o.). In December 2003 six Flemish board members of the NVAO were appointed, who started their work in January 2004 (Ministry of the Flemish Community, 2003h).

The aim of the NVAO i.o. is to ensure and promote the quality of higher education in the Netherlands and Flanders. The organisation will accredit all the current and new programmes in Dutch and Flemish higher education. Furthermore, it will work on the European and international dimension of accreditation and maintain as well as promote international contact in this area to arrive at tuning and coherency with these foreign contacts (NVAO i.o., 2003).
11 Portugal

From the start, it has to be said that a new person was placed in charge of the Ministry of Higher Education and Science in October 2003. This raised questions about the future of some important legislation that had just been, or was about to be, launched by the former Minister. Only slowly could one devise, underneath the rhetoric of continuity, what is the agenda of the current Minister, especially since she was not formerly a well-known figure in higher education policy. Moreover, this created a wait-and-see situation in various issues, so there are a fair number of interrogations on the future development of higher education policy in the country.

11.1 Educational infrastructure

11.1.1 Access

In the year 2003/4 the Ministry of Higher Education reduced the number of places available (numerus clauses) by circa 10% for institutions located in major cities, with the argument of diverting demand from these areas to less populated regions.

The reduction in terms of the number of candidates that has been felt in recent years continued, posing enhanced pressure on private institutions and less prestigious public ones, both of which perform less well in student’s preferences.

Medicine remained an exceptional case in terms of access, with demand largely exceeding supply, despite the expansion in the number of places available. In other health sciences, the situation regarding unmet demand seems less dramatic.

11.1.2 Selection

There have been signs and declarations that suggest that in the near future higher education institutions will have more power in the selection of students (at the moment there is basically a system of numerus clausus established by the government for all higher education institutions, with a national pool of candidates competing on the basis of their results in the national exams at the end of secondary school). There is also the possibility that numerus clausus could disappear in the near future, with few exceptions (e.g. Medicine), especially due to the declining demand.

11.1.3 Bologna Process

Things seem to be moving in many schools and departments, particularly in terms of reducing the length of studies, especially at the BA level. At the system level, there are signs that the new Minister wants to increase significantly the pace of change.
11.1.4 Private Sub-Sector

This part of the system has suffered the most significant part of the decline in students’ demand, which has been going on for some years. There have been suggestions, even in national newspapers, and not denied by their representatives, of strategic alliances (possibly evolving to fusion) between some private higher education institutions. This would be an option to avoid the possibility of closing down, which is a severe possibility for many private higher education institutions.

11.1.5 Academic Profession Status

The new Minister has indicated that she is planning to present a new framework regulating the academic career, though there are no indications on what would be the changes, if there were to be any major ones. Previous attempts suggest that this is normally a very controversial issue and those Ministers who have tried have normally backtracked rapidly (the current law dates from the late seventies).

11.2 Funding

11.2.1 Funding mechanism

A new law has been published at the end of August 2003, changing the funding formula applicable to public higher education institutions that has been operating for about 10 years. There is the explicit mention that the results of quality assessment will be taken into account, though it is yet to be seen how this will be made effective.

11.2.2 Tuition fees

The most controversial aspect of the new law was the establishment of new levels for tuition fees, that can now be fixed by higher education institutions on a range between 450 and 850 €. Despite the students’ protest, the change seems to be irreversible.

11.3 Quality and Assessment Issues

The main developments were the explicit link made with the funding formula (see above) and the possibility of introduction of an accreditation system, mentioned in the new law (1/2003) on higher education.
12 Sweden

12.1 Educational infrastructure

12.1.1 Bologna follow-up

In April 2002, a project group was appointed at the Ministry of Education and Science to review several issues related to university degrees. The group will be evaluating the current degree structure, master’s degrees, and the translation of the Swedish credit system into the European Credit Transfer System (ECTS). The final report is expected to be completed in December, 2003.

As of January 1, 2003 a diploma supplement is now provided to all students that shows the degree program as well as where such a degree fits in the broader education system. To the extent that it is possible, the supplement is also supposed to contain information on ECTS data. This is expected to make Swedish degrees more comparable to those offered in other EU countries as outlined in the Bologna Declaration.

Starting in the fall of 2003 all higher education institutions will be required to assess their applicants’ prior learning and experiences where such mechanisms are not already in place.

In March 2003, a commission was set up to review the existing regulatory system (from 1997) and submit proposals for new rules governing admission to undergraduate education. One of the starting points of the Commission was that direct transitions from upper-secondary school to higher education should increase. There was also the problem of the applicants with perfect marks, but who lost out by the lottery.

The Commission reported in December 2003. It proposed three parallel routes to higher education: grades, aptitude tests and a selection criterion determined by the individual institution. Three criteria were proposed to spread the ‘risks of limited forecasting properties of individual criteria’. Basic eligibility will be based on grades. Special eligibility refers to subject related rules for access to specific programmes.

12.2 Research infrastructure

Early 2004, a commission on the reform of doctorate education reported its recommendations. The recommendations should contribute to the long-term strengthening of Swedish research. The main recommendations are:
• Better pathways through the education system, by using a 3+2+3 year structure. The existing Licentiat will be an intermediate degree during a transition stage.
• Introduce more output criteria in funding
• Introduce clear individual plans for the doctorate students, including studyplan and financial plans
• More opportunities for continuing the research work after getting the degree
• Removal of informal barriers to improve equity in recruitment
• Better exchange of knowledge between teaching, research and the rest of society,
• More possibilities for institutions for profiling, co-operation and innovation;
• More possibilities for international mobility.

12.3 Finance

12.3.1 Student support
In a recent study, the situation regarding the student support system (revised in 2001) and the social security system was analysed. It was concluded that conditions of both systems should be adapted to allow more people, benefiting from the social security system, working with small children and working part-time, may benefit from the student support system and participate in higher education.

12.3.2 Small language programmes
A government commissioned report released in 2003 found that small language programs in Sweden are increasingly unable to enrol enough students at advanced levels and as a result are increasingly unable to meet their own costs. The commission proposed that special earmarked funding be made available for such programs. It also suggested that the National Research Council develop and coordinate research in this area.\(^\text{10}\)

13 The United Kingdom

In 2002 Government presented “The Future of Higher Education Whitepaper”. Since then the single most important issue, taken directly from this whitepaper, has been the introduction of variable tuition fees. The issue is important as it is not only a technical financial matter, but is part of a wider vision of government on the governance of higher education (and the role of market incentives). Moreover tuition fees have important consequences for access and equity; subjects the Labour government (and Members of Parliament) have taken strong positions in the past.

This section will start with a short introduction to the introduction of the new governmental plans for variable tuition fees (see: Higher Education Bill, introduced in the House of Commons on 8th January 2004, with a vote in favour on 28th January 2004 in the House of Commons). The report will then move on, to the wider issues of governance of which these changes are an integral part. The concerns for access and equity of government are reflected in the setting up of an Office for Fair Access (OFFA). Note that the introduction of variable fees will only take place in England and Wales, not in Scotland and Northern Ireland.

Not related to the issue of variable fees are the first results of the new system of quality assessment, the Institutional Audit (see update report 2002). Finally, in terms of research infrastructure, a new research council has been created.

13.1 Finance

13.1.1 Tuition fees and student support

At present the fee which higher education institutions charge for full-time undergraduate students in a given year is determined by the maximum fee remission grant for that year, as prescribed under section 22 of the Teaching and Higher Education Act 1998. The Bill enables higher education institutions to set their own fees, up to a basic amount specified in regulations, which would no longer be linked to the level of grant for fees. Institutions that wish to charge fees above this rate will only be able to do so if they have in force a plan under this Part of the Bill, approved by the relevant authority. For England the relevant authority will be a new Director of Fair Access to Higher Education. For Wales, it will be a body to be designated by the National Assembly for Wales. If institutions have such a plan, they will be able to charge up to a higher amount (within the bounds of their plan), also specified in regulations. It is intended that loans will be made available, on an income-contingent basis and with no real rate of interest, to allow students to defer payment of fees.
In short, it is proposed that from September 2006:

- Up front fees will be removed.
- Repayments will start once the graduate is earning over £15K. If students were never to earn over £15K, they will never repay. If their salary were to drop below £15K, the repayments would stop.
- Loans for fees and other costs will be interest-free in real terms. Only inflation-rate interest is charged to maintain the value of the loans. The Government will cover the cost of borrowing. Students only pay back what they borrow.
- Payments will not be based on what is owed; they will be based on what is earned. This means that higher debt would not translate into higher weekly repayments.
- Payments will be made through the tax system like National Insurance or pension contributions.
- The poorest full time student will be guaranteed at least £3000 in financial support per year, including bursaries, where universities are charging the highest fees.
- For any full-time undergraduate entering higher education from 2006 Government proposes to write off any student loan repayment after 25 years. Those who choose to take lower paid jobs, those in and out of work and those who take time out to raise a family would have any amount outstanding after 25 years wiped out.

13.2 Governance

As stated before, the proposed changes are all part of a broader vision of Government on the governance of higher education. This vision is built on a number of axioms.

At the core the British government believes a ‘one size fits all’ model is unfair to students and is too rigid for universities and that diversity should be celebrated not stifled. Variable fees are one part of a broader strategy to encourage excellence and innovation in the university sector, giving students more choice and institutions more freedom. It is part of a drive to continually improve the quality of higher education while protecting access for the more vulnerable people in society.

With regard to choice for students, government holds that students want different things from their higher education. They have diverse wishes with regard to the competencies they want to acquire in the course of their higher education training. Moreover, Higher Education is no-longer predicated on a single model of entrants coming straight out of school with A-levels. Today, students come through a variety of different routes including vocational and further education, with different needs and increasingly studying part-time where variable fees are already an accepted part of the landscape.

The Government believes it is wrong to set centrally the fees for every full time course in every university or college up and down the country. It is Government’s job to ensure there are safeguards – through a fee cap and through OFFA - but not to take decisions best taken by those responsible for delivery of higher education. The Higher
Education Institutions need to determine their own fees policies. It is their course and their provision; and they know best where to set a fee that offers good value to their students. With fee flexibility they would be able to manage more effectively the introduction of new courses, or those which are only just viable. They could cross-subsidise low demand but worthwhile subjects. And an ability to compete on cost as well as quality will level the playing field for those universities and colleges able to offer excellent value for money but unable to compete on reputation alone.

Government assumes that price variability will mean that universities think hard about what they charge for their courses and about the attractiveness of the student “package” leading to innovation and quality improvements right across the sector. This will be complemented by providing students with more information concerning the quality of courses:

- A new survey of all final year students will provide applicants with better information about the courses and universities they are thinking of.
- Universities will publish summaries of external examiners’ reports, providing more information than ever before about the quality of courses and the standard of students’ work.
- All this information will be brought together into a comprehensive guide to Higher Education.

The scope to raise more or less cash from students and the publication of better information about what their courses offer will give universities incentives to improve the quality of their offer to students and ensure that it offers good value for money. And because students will begin to take decisions that are informed by the personal cost and benefit of their courses, the sector is likely to be more responsive to the needs of employers, with knock on effects for the economy as a whole.

Summarising, Government believes that the introduction of variable fees in concurrence with providing more information to students will create a more dynamic and efficient market-like situation in higher education. The idea of combining this with capping fees at £3000 and installing OFFA will create a managed market with safeguards for the least well off. Of course all of this is plans, how this hybrid steering mechanism will work out is unpredictable, it will critically depend on the behaviour of students and institutions and on the position and capacity of OFFA.
13.3 Educational Infrastructure

13.3.1 Access and participation

Many in England and Wales (like the National Union of Students and Labour backbenchers) fear that higher tuition fees may have a deterring influence on students, especially those that are less well off. Apart from the fact that students will be provided with (interest free) loans that are repaid through the tax system (based on the salary of the ex-student) government proposes an Office for Fair Access (in England). The Director of Fair Access to Higher Education will be approving and monitoring plans made by institutions in England that wish to set fees higher than the basic amount. The matters to be covered by these plans – which will remain in force for up to five years – will be specified in regulations.

The nature of these plans is not very well specified in the bill, it will have to be in line with governmental regulations stipulating that a plan must, “in relation to each qualifying course in connection with which fees are to be payable to the institution by qualifying persons, specify or provide for the determination of a limit (not exceeding the higher amount) which those fees are not permitted to exceed.” (Higher Education Bill, 2004) Moreover, plans must “also include such provisions relating to: the promotion of higher education, or the promotion of equality of opportunity in connection with access to higher education, as are required by regulations to be included in the plan, and may also include further provisions relating to either of those matters.” (Ibid.)

The general provisions that may be required by regulations made, in particular, are:

- to attract applications from prospective students who are members of groups which, at the time when the plan is approved, are underrepresented in higher education,
- to provide, or secure the provision of, financial assistance to students,
- to make available to students and prospective students information about financial assistance available to students from any source,
- setting out objectives in relation to the matters mentioned before
- relating to the monitoring by the governing body

Should an institution breach its plan, the Director may choose not to renew that plan or, where there is need for more immediate action, may direct the Higher Education Funding Council for England or the Teacher Training Agency to impose financial requirements, including reducing its grant to that institution.
Notwithstanding the rather vague definitions of what a plan must entail government is rather optimistic about it success, claiming that many universities, in particular the modern universities, have done a huge amount to broaden access and widen participation in Higher Education.

As the new system is introduced the Government’s aim is to protect access but also to use variable fees to promote further the continuing underrepresentation of some groups in Higher Education. Choice and difference cannot be allowed to be an excuse for discrimination. Students’ choices should be limited by ability alone, not by background, not by financial concerns nor by ambition.

- A system of variable fees triggered by access agreements gives universities a powerful financial incentive to address the access agenda.
- The commitment to a cap of £3,000 for the duration of the next Parliament provides a safeguard against excessive fees.
- Where universities do decide to charge higher than the current standard fee of £1,125, OFFA will make sure that young people from the poorest backgrounds are not discouraged from applying.
- It will also ask universities to target actively those groups of students under-represented in higher education.
- The student support package of fee remission, grant and bursaries will ensure that the poorest students need not be put off applying by the price of a course.

(Department for Higher Education and Skills, 2003)

13.4 Quality

The discussion surrounding variable fees has been the single most important issue in British Higher Education in 2003. In the field of Quality Assurance the first results of the institutional audit process for England became available in 2003. As the new system was launched in the summer of 2002 (see update report 2002) and the first audit visits took place in January 2003. Some early information about the key features and findings of the first institutional audits, based on a study of the first eight published reports, gives an indication of the results.

The institutional audit process has several features that make it distinctive from previous audit-based methods operated by the Quality Assurance Agency for Higher Education (the Agency). The new system provides, for example, details of the format and outcomes of the discipline audit trails, of the frequency and focuses of thematic enquiries, and of the nature and use of written submissions from student representative bodies.

Each audit report sets out the audit team’s judgements in two key areas. It also highlights features of good practice and makes recommendations for further consideration by the institution. This report contains information about the key findings of the first audits. The published reports confirm that broad confidence can reasonably be placed in the soundness of the management of quality and standards by the eight
institutions, although six reports moderate this confidence judgement in a variety of different ways. The reports also confirm that the majority of institutions are moving in an appropriate and timely manner towards meeting Higher Education Funding Council for England’s expectations about the information on quality and standards that should be available within institutions, or published, by the end of 2004.

The reports indicate there is a wide range of good practice within the eight institutions, with particular strengths in a cluster of areas relating to the provision of student support. They also make recommendations for further consideration, particularly in relation to institutional frameworks for assuring quality and standards, the management and monitoring of collaborative provision, and the use of management information, particularly statistical data. None of the eight reports identify any area where there is good reason for a full review at discipline level to be carried out, or for an action plan at either the discipline or institutional level to be implemented.

13.5 Research Infrastructure

Finally, the Higher Education Bill (2004) proposes, next to the above-discussed variable fees, the creation of a new Arts and Humanities Research Council. Research in the arts and humanities is at present partly funded by the Arts and Humanities Research Board (AHRB). This is a company limited by guarantee which has charitable status, and receives its funding through the Higher Education Funding Council for England, the Higher Education Funding Council for Wales, the Scottish Higher Education Funding Council, and the Department for Employment and Learning in Northern Ireland. The intention is to put arts and humanities research on the same footing as research in the sciences and social sciences, and so a new Arts and Humanities Research Council (AHRC) is to be established by Royal Charter. This Council will take over the funding of research in the arts and humanities that is currently carried out by the AHRB.
14 Issues across the countries

The country descriptions presented above provide a rich overview of the major issues in public and political debates regarding higher education. It informs the reader who has a broad interest in higher education (policy) to identify the main trends and issues in Western higher education systems.

Below we present the major issues and recent developments across the higher education systems. There may be other relevant issues that continue to be of significance over a longer time period but have not been paid attention to in the recent past.

In the following sections the major issues that appear on national agendas are discussed. Clearly the ‘tone’ of the debates, the participating actors, and the policy contexts will differ between countries. For an in-depth understanding of a country-specific issue we refer to the specific country descriptions.

14.1 Educational infrastructure

The Bologna process still has a major impact on the higher education infrastructure in most countries. Except for Australia, the UK and the Netherlands, the introduction or development of the bachelor-master degree structure is a theme that shapes national higher education policy developments. However, the direction and pace of the reforms and debates differ among the countries. In some countries, the focus is on facilitating internationalisation by implementing Diploma Supplements or ECTS (Austria, Finland, Flanders and Sweden). In other countries, the momentum of the Bologna process has been used to implement a large scale reform of the degree structure. In Flanders and Denmark the reform has got a legal basis whereas in France the proposals to come to a new Licence Master Doctorat structure have fuelled severe protests from both students and universities.

Admission and selection were issues in eight countries. In Flanders, Portugal, Finland, and France, the access to specific programmes was increased/numerus clauses relaxed. Sweden and Finland reviewed their criteria for selection. In Portugal and in Sweden, the higher education institutions were given more autonomy in selecting their students, an issue that was debated in the Netherlands. In Germany, Finland and Denmark, the debates and changes were focused on the co-ordination of the admission processes.
In France, Germany and Sweden, there is special attention for access to higher education for those without official entrance qualifications but who have considerable working (and life) experience.

Expanding higher education or widening access is another major issue that is particularly visible in Australia, Finland, France, the Netherlands and the UK. The driving forces behind these debates and policies are on the one hand the perceived need to strengthen the knowledge based society by increasing the proportion of higher educated people in the population. On the other hand, governments feel that the rise of the knowledge based society may increase the inequality of chances for socio-economic disadvantaged groups.

In a number of countries there are discussions on the flexibility of programmes and study entitlements of students. Enhancing the flexibility of the programmes

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Table 2: Major issues in higher education

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A: Australia; Aus: Austria Dk: Denmark; Fi: Finland; Fla: Flanders; Fr, France; Ge: Germany; Ni: Netherlands; P: Portugal; Sw: Sweden; UK: United Kingdom
(Denmark, Flanders and Finland) and improving the guidance of students (Denmark and Finland) is seen as an important instrument in shortening the time to degree and to reduce drop-out. The concept of study entitlements within a fixed period of time (as brought forward in Germany) can also be seen as an instrument in this area.

Staffing issues are on the agenda in five countries. In Austria, France, Portugal and the Netherlands the debate is particularly on how to improve the attractiveness of the profession and career of researchers. The German (and to some extent the Austrian) debate focuses on the career development of professors.

Problems regarding perceived future shortages of higher education graduates were not very often reported. It is remarkable that shortages of scientists and engineers are mentioned only in two countries (Denmark and the Netherlands) whereas it seems to be a top priority in the European Union (one of the five benchmarks of the EC in the Lisbon process).

14.2 Research infrastructure

The Lisbon process\(^\text{11}\) seems to have had some impact on the national policies regarding the research infrastructure. In six countries expenditure on R&D was reported to be high on the agenda; in five countries (Australia, Austria, Denmark, Finland and Flanders) additional investments were discussed or decided upon, whereas in France, there were serious debates on (perceived) cutbacks in research funding. In a number of countries the research infrastructure was put in the broader context of a national debate on the innovative competitive edge of national systems (like in Austria, Finland, Flanders and the Netherlands).

14.3 Finance

Finance is an issue that pops up in nearly every description of national higher education issues. Reviews and reforms of funding mechanisms as well as discussions on the student support systems were brought forward most. The Australian funding model for teaching universities will be made more transparent when it comes to the public funding per student place. In Denmark there was only a small adjustment to the funding model, but a full-scaled review was announced. The Portuguese reform of the funding formulae for public higher education institutions introduces performance measures in the formulae.

The extension of existing loan schemes and the introduction of a new one is an important element in the Australian reforms in higher education. The Finnish debates focus on the use of student support by foreign students and student support as an

\(^{11}\) At the EU summit in Lisbon, 2000, the ambition was formulated for the EU to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion by 2010. The process leading to the accomplishment of this ambition has become known as the Lisbon process.
instrument to shorten time to degree. The Flemish reforms are a direct consequence of the legal changes. Although there has been a debate on the overhaul of the student support system, nothing has changed in the Netherlands. In Sweden, student support has become more embedded in the social security system, thereby enabling more people to access higher education. A similar reason is used in the UK in their reforms of the student support system.

In four countries the differentiation of tuition fees has been on the agenda. In Australia, Portugal and the UK, higher education institutions are now allowed to set their own tuition fees, be it within certain bands. In the Netherlands, this has been discussed as well but the plans have not yet been implemented. Shortening the time to degree is the main drive for the German experiments with the Studienkonten, which can be seen as a way around the taboo of tuition fees.

### 14.4 Governance

Most of this year's issues on governance are on the governing bodies of higher education institutions, either their composition (Australia, Austria, Finland, and Flanders) or the way their members are chosen (Denmark and Finland). In France and the UK, the discussions had a more general character, focusing on the enhancement of the institutional autonomy.

The rise of performance contracts or agreements is the second issue. In Denmark performance contracts did exist already for a number of years but in 2003 they were revived. In Austria, the new university act introduced performance based contracts through which part of the funding will be allocated. The French policy of contractualisation continued. In Germany, the type of agreements existing on the federal level is rather weak. However, in a few states, performance based contracts have a stronger basis. The discussions on performance agreements in the Netherlands are still in a very early stage.

### 14.5 Quality

The concern for the quality of higher education is an ongoing issue in many countries but it seems to have moved away from being a top priority.
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