

3.3.4. Finland

As mentioned above, Finland, like the other Scandinavian countries, is grounded in a principle of free education. There are no tuition fees for any degree courses at Finnish Universities, for either home or foreign students, and no plans to introduce them.

In addition, a system of support of financial support is intended to mitigate financial barriers to higher education. This financial aid comprises study grants, housing supplements and government guaranteed student loans. The former two are government-funded and paid monthly to the student's bank account. Total aid awarded to an individual depends on personal financial circumstances, as well as the type of school, age and marital status of the student, and the mode of accommodation.

The housing supplement can cover 80% of the individual's rent, but will not be available if rent is less than €8,87 per month and will not be granted for the part of rent that exceeds €14,44. Student loans are granted by banks operating in Finland and repayment normally begins on completion of studies. Interest assistance on loan repayment is available to all those who have a low income and who have not received financial aid for a specified period.²²

The link between a robust financial support system and accessibility appears to be borne out by the high participation rates in Finnish higher education. However, despite this, and the high standard of the country's compulsory education sector²³, research suggests that access is still not equitable across socio-economic groups.²⁴

3.4. Results

It is clearly difficult to accurately measure impact of any one single factor on access to higher education. The systems described above cannot be divorced from underlying differences in national education systems and wider societal structures. This said, considerable research has focused on changing patterns of participation following the introduction of tuition fees, both in individual countries and as cross-country comparators.

Contrary to widespread public belief, the majority of these studies suggest that introducing tuition fees does not *inevitably* harm access to HE for individuals from lower socio-economic groups. "Evidence suggests that introducing tuition has not made a great deal of difference in the participation rates of under-represented groups. In the UK, the percentage of enrolment of students from ethnic minority groups increased by 9.7% in 1994-1995 –with no tuition fees- to 11.5% in 2001-02 -with tuition fees. In Australia, there is no evidence that increasing tuition discouraged students from participating in university, including those from low-

²²Student Financial Support: An inventory in 24 European countries, *Hans Vossensteyn* (2004), Centre for Higher Education Policy Studies

²³ Finland was placed first in the OECD's 2003 Programme for International Student Assessment (PISA) study of learning skills among 15-year-olds

²⁴ See A. Furlong et al (1998) and Statement of National Union of Students in Finland to OECD (2005)

income backgrounds.”²⁵ Similar studies (Vossensteyn: 2001) have found that financial incentives do not have a major impact on enrolment patterns in the Netherlands.

Equally, ‘a recent report by the Irish Department of Education and Science indicates that the introduction of the *free fees* initiative in 1995 had ‘little or no impact to date on promoting equity and broadening access to higher education for the lowest socio-economic groups’. While all socio-economic groups experienced actual increases in participation between 1991 and 2001, within the University sector, ‘the lower socio-economic groups represented an even smaller proportion of entrants in 2001 than they did in 1995.’²⁶

This may be because fees are only a small part of the total cost of attending HE –which, in turn, is only one of the factors affecting access to HE, as reviewed in the our main report. A study by the Educational Policy Institute in Washington look at wider costs of HE and demonstrated that the link between fees, affordability and access is far from straightforward.²⁷ This study analysed data relating to higher education, ranking countries according to accessibility and affordability. While recognising that there are many different interpretations of ‘accessible’ and ‘affordable’ the paper justifies its selection of six measures of affordability and four for accessibility.

The affordability measures, weighted to reflect relative importance, relate to education costs (including tuition, books and other necessary materials), living costs, grants, loans and tax expenditure. They are all expressed as ‘ability to pay’, which is based on GDP, in order to take account of international variations in income. Unsurprisingly, the free provision and generous financial aid typical of Scandinavian countries place Sweden and Finland at the top. Perhaps more surprisingly, the Netherlands is ranked as the third most ‘affordable’ despite its tradition of tuition fees. This can be explained, however, by the fact that fees are fairly small and living costs relatively low in relation to the amounts offered through grants and loans. The Netherlands comes higher than three ‘free’ tuition countries – Germany, France and Ireland – that show high registration fees and high costs for educational materials. The message portrayed by this study is clear; affordability is not determined by tuition fees alone.’

It is also interesting to look at accessibility, which the Global Higher Education Rankings determined through the following four (weighted) indicators: participation rates; attainment rates; educational equity index (EEI); and gender parity index (GPI). EEI is an estimate of educational inequality that measures the degree to which students from high socio-economic status backgrounds (as measured by parental education levels) are over-represented in higher

²⁵ Changes in Tuition Policy: Natural Policy Experiments in Five Countries, Watson Scott Swail, *Ed. D. and Donald E. Heller*, (2004) Educational Policy Institute (Canada)

²⁶ Tuition Policies in a Comparative Perspective: Theoretical and Political Rationales, *Pamela N Marcucci and D. Bruce Jonhstone*.

²⁷ Global Higher Education Rankings: Affordability and Accessibility in Comparative Perspective (2005), Educational Policy Institute

education.²⁸ As seen below, Netherlands comes out on top in the final accessibility rankings, followed by Finland and then UK. The first two are explained by EEI and gender parity scores in the Netherlands and very high participation rates in Finland.

Table 3.1: Overall accessibility rankings

	Participation	Attainment	EEI	GPI	Overall rank
Netherlands	3	3=	1	1=	1
Finland	1	8	5	5=	2
UK	5	5=	2	5=	3
US	7=	1	7	12	4
Canada	7=	2	3=	10=	5
Australia	6	3=	6	7	6
Ireland	12	5=	3=	9	7
France	4	9	8=	8	8
Sweden	9=	7	8=	13	9
Italy	2	12	10	10=	10
Germany	13	11	11	1=	11
Belgium	9=	10	13	3	12
Austria	9=	13	12	4	13

Source: 'Global Higher Education Rankings', (2005) Educational Policy Institute

The UK in fact fares well on the EEI, coming second behind Netherlands on this specific measure. This suggests that access to higher education across socio-economic groups is *no worse* in the UK than in many other countries. What the results of this particular study do imply, though, is that affordability does not equal accessibility.

3.5. Conclusion

This chapter has suggested that inequitable access to higher education across socio-economic groups persists. Although most European countries saw a growth in the higher education sector during the 1990s and a corresponding increase in overall participation, the lower socio-economic groups remained under-represented. Although commitments to address this have been pledged, there is no evidence to suggest a resulting positive impact yet.

Focusing on the issue of tuition fees, however, it appears that their introduction does *not necessarily* harm access across socio-economic groups. While there is some noteworthy evidence to suggest that lower socio-economic groups may be highly debt adverse, a large number of studies have concluded that the presence of tuition fees is not a good indicator of equitable access. This is not to suggest that tuition fees *could not* harm access, just that they cannot be considered in isolation. Tuition fees are one element of the cost and corresponding financial aid system that must be considered as part of attempts to widen access.

²⁸ A high EEI score implies that the composition of the student body 'looks like' society as a whole, while a low EEI score implies that the student body is drawn disproportionately from already privileged families.

High overall costs can deter individuals from attending HE, more so for those from lower income groups. The crucial factor, therefore, it has been argued (Bar:2003), is to make higher education *affordable at the point of use*. If amounts are sufficient and used to maximum effect, grants and loans should be able to do much to re-dress the income inequalities that may put off lower income groups. In addition, if re-payment of student loans is income contingent and deferred to a time when it is *realistically affordable*, then any debt accrued should become manageable.

It is likely that the UK system has not gone far enough on this front to date; although the system changes signalled by introduction of tuition fees do not appear to have strengthened the relationship between participation and social class, they clearly have done nothing to diminish it either. Results from the Global Rankings study confirm that affordability is about more than tuition fees. The UK rates very poorly on affordability but this is less to do with tuition fees and more to do with high living costs and *insufficient financial aid*. Conversely, Finland and Netherlands are affordable because they have very good financial support systems and lower living costs, even though one has fees and the other does not.

However, the overwhelming consensus suggests that attempts to widening participation must not focus exclusively on the HE entry point. Inequalities in aspirations and attainment are shown to develop earlier in the schooling career, and these affect access to HE, amongst other factors.

4. IMMIGRANTS IN DENMARK

By Ann-Marie Nevala, ECOTEC Research and Consulting

4.1. Introduction

Immigrants to the EU and their descendants constitute a growing proportion of the EU population, particularly in the old-EU15 member states. It is widely recognised that the increase in the number of immigrants and descendants of working age can have a positive effect on the European economy if they have an employment rate corresponding to that of native residents. Integration has become particularly hot topic in the face of political pressure and labour market challenges caused by the ageing population and low fertility rates.

Numerous studies have demonstrated educational attainment is a crucial element in the labour market integration of immigrants. The discrepancy in the educational attainment of non-Western immigrants and natives, however, remains significant; at the same time the number of low skilled immigrants is on increase. Improving access to education for this group can also eliminate wider societal inequalities.

This case study presents two main arguments. First, it assesses one national policy approach in substantial detail, the Danish Integration agreement that was signed in 2002. This tripartite agreement includes a number of different provisions that aim to improve integration, especially training and labour market integration, of immigrants. The agreement established several key policy tools to facilitate the integration process, including tools to improve access to language courses, work placements and vocational adult training courses for newly arrived immigrants. Second, the case study includes a European comparative discussion of the way in which access to higher education is shaped by different national education contexts among *second-generation* immigrants. This second part looks in particular at ways in which early childhood education and compulsory schooling systems in different countries directly affect the access to HE for this target group.

4.2. Danish Integration Agreement

4.2.1. Setting the Agenda

Denmark cannot be described as an immigrant country in historical terms. It has only been in recent decades that the number of refugees and immigrants entering the country has increased. In 1980 ²⁹ immigrants and descendants³⁰ accounted for 3% of the population, whereas in 2004

²⁹ Ministeriet for Flygtninge, Indvandrere og Integration: *Årbog om udlændinge i Danmark 2004 – Status og udvikling*.

³⁰ A person is defined as a Dane if at least one of his parents is both a Danish national and was born in Denmark. It is therefore of no significance whether the person himself is a Danish national or was born in Denmark. If the person is not a Dane, he is an immigrant if he was born abroad, and a descendant if he was born in Denmark.