

# Britain: Poorer student numbers fall as tuition fees are hiked up

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The number of undergraduates applying to enrol in university courses in England this year fell by 15,000 compared with 2005. The fall is almost entirely due to the September introduction of new tuition “top-up” fees of £3,000 a year. This amount replaces the previous system of fees introduced by the Blair government in which £1,000 was paid up-front.

The government dismissed the decline, saying that the figures indicated a “strong performance” in terms of student enrolment. In reality, figures show that the percentage of students going to university from poor families has fallen drastically along with the overall number from all state schools.

It is estimated that just 17 percent of university students are from working class backgrounds, a decrease of three percent in less than two years.

According to a recent survey by the Universities Marketing Forum, 47 percent of sixth formers questioned said that inability to afford fees was likely to put them off taking a degree course. A Higher Education Funding Council report said teenagers in more affluent areas had a better than 50 percent chance of going to university, while the odds fall to 1 in 10 for those in the poorest neighbourhoods.

Under the new system, students have to pay back the £3,000-a-year fees when they begin earning anything above the sum of £15,000 per annum. With many having to take out additional loans for living expenses, recent estimates calculate that students will leave university saddled with debts of between £15,000 and £33,000.

Official figures from the Department for Education and Skills (DfES) Student Income and Expenditure Surveys show that the introduction of tuition fees has already had a harmful affect on students financially. Debt levels in the surveys rose from £3,465 in 1998/99 to £7,900 in 2004/05—an increase of 127 percent. Poorer students’ debt has risen the most dramatically—by two and half times since 1998. The debt owed by poorer students is on average 43 percent higher than that of children from better-off families.

More recent studies have put the debt burden even higher. A survey produced by Barclays Bank showed that in 1994 the average graduate debt was £2,212. By 2005, this had increased to £13,501. Medical and dental students have the highest levels of debt of all full-time students, according to the DfES.

Debt levels are set to drastically increase under the new system. Ever since the introduction of tuition fees there have been calls from senior politicians and university heads to raise the cap on

what can be charged. The current system is to be reviewed again in 2009 and it is almost certain that the tuition fee cap of £3,000 will be raised to £5,000 or more.

In an interview with the *Times Education Supplement* in February, Sir Howard Newby, the outgoing head of the university funding council, stated that the current level of £3,000 was not “not sustainable” and that it would possibly be lifted to £5,000 a year. Newby also attacked “middle class kids” who can “pick up a subsidy on the zero interest rates applied to student loans,” arguing that students should be charged a real rate of interest on their loans, thereby saving the state up to £600 million.

The denunciation of university education as “middle class welfare” is now the standard rhetoric of government ministers and education “experts.” In fact, statistics show that many students who seek to enter what has traditionally been regarded as “middle class” employment—such as teaching—lose out financially by going on to higher education. Such has been the erosion of pay and conditions in these fields of employment that they can expect to earn between two percent and 10 percent less than someone who left education at 18.

A central plank of Labour’s election program when it came to power was a commitment to ensuring that at least 50 percent of school leavers would have access to quality higher education. Instead, through a regressive programme of eliminating grants and introducing loans and tuition fees, the government is barring more and more young people from obtaining a post-secondary school education.

This has occurred side by side with cuts in spending on education provision and attacks on the pay and conditions of staff. The pay of academic staff has fallen in real terms over the past 20 years or so by 40 percent, compared with that of equivalent professions.

The government has attempted to play academic staff off against students by claiming that one reason for increasing tuition fees is to help raise the necessary finances to pay for salaries.

Public spending on higher education in the UK is one of the lowest in the industrialised world. Britain currently spends just 1.1 percent of its national income on higher education, compared with a European Union average of 1.2 percent. In Scandinavia the figure is 1.8 percent, while in the US it stands at 2.6 percent.

Both Labour and the Conservative Party are seeking to increase the amount of private funding of higher education, but only to further encourage the social stratification that has taken place.

They are proposing to establish a system whereby a select group of “world class” universities would be established, with the majority of universities left to compete amongst themselves for ever dwindling public funding.

Those universities such as Oxford and Cambridge will have tuition fee caps removed, allowing them to charge tens of thousands of pounds and further restricting access to a wealthy and privileged elite.

At Oxford, proposals were recently put forward aimed at changing its structures to allow outside members into the university’s governance structures and ending its centuries-old policy of self-rule. The plans from Vice-Chancellor John Hood were presented as a move to modernise the structures of the university and to allow accountability and transparency. In fact, the plan is for Oxford to become accountable to big business and to be financially “incentivised” to perform. Hood called for the creation of a board of directors with a majority of externally appointed members to approve the budget and oversee the running of the university.

Oxford faces a budget deficit of £8 million this year and opponents of the Hood plans correctly fear that one of the first priorities of such a board of directors would be to demand an increase in its fees to at least £10,000 a year. Commenting on the debate on Hood’s proposals, the *Times* said, “At times it sounded like a boardroom meeting, with references repeatedly made to the institution’s £1.2 billion value, and the vital role played by effective management structures.”

The Hood proposals were supported by the government body charged with funding universities, the Higher Education Funding Council for England, but they were rejected by a vote of the universities dons by 730 to 456 and in a subsequent postal ballot.

The stranglehold of corporations over higher education is already having a devastating impact on many important university departments around the country. Sally Hunt, the joint general secretary of the University and College Union explained, “Last week the world-renowned physics department at Reading University was closed against the clear wishes of students and staff from Reading, the Institute of Physics and the wider academic community. The body that took that decision was one third business people, one third senior management with just a handful of staff and student representatives.”

Such attacks are set to escalate as the government and the opposition vie with each other to implement wide-ranging attacks on the right to tertiary education.

In June the Conservatives’ higher education spokesman, Boris Johnson, issued a paper entitled “Aspire Ever Higher: University Policy for the 21st Century,” in which he called for the end to all state control over higher education.

Johnson wrote, “Universities are not part of the public sector and should be set free to run their own affairs, whether this means admitting students or teaching courses. The government should acknowledge that ‘hierarchies of excellence’ must be allowed to flourish.”

Calling for an end to state funding for universities, he added, “I foresee a 20-year period of psychological reconditioning in the way we think about universities and their funding. We also need to

think more creatively about tax breaks and how to build up alumni donations and endowments.”

In a speech earlier this year Chancellor Gordon Brown said, “What is clear to me is that spending in the order of 1.1 percent on higher education, given the significance that we attach to universities and university research for the future of our economy as a whole, is not a figure that can stay at that level. We have got to look at all these different sources of funding, private and public, for the future and I am very happy to enter that debate.”

The first fruits of his “entry into that debate” were announced in his pre-budget speech this month, where he stated that the government was seeking for £2,000 bursaries to be paid to children in local authority homes or foster care by business—an amount that does not even cover fees and targets a group of young people who are least likely to go on to higher education! The government will also pilot a scheme next autumn in which students will be compelled to do voluntary work in the community in exchange for a reduction in their student tuition fees.

Brown has also commissioned a report entitled “Prosperity for all in the global economy—world class skills.” The report, authored by Sandy Leitch, is explicit in calling for the needs of employers to be the basis for the provision of education in Britain. Leitch concluded, “‘Economically valuable skills’ is our mantra. Institutional change and simplification are necessary. Employer and individual awareness must increase. To reach our goals, we as a society must invest more. It is clear who will pay. It is all of us—it is the State, employers and individuals.”

As public funding of higher education declines, universities are seeking to make up the deficit in part by adding greater numbers of foreign students.

Estimates indicate that by 2020 the number of foreign students at British universities could be as high as 870,000. Most of these will come from China, India and the Far East. This is a central reason why politicians and university officials are calling for the ceiling on tuition fee caps to be lifted—so that universities will be able to charge this new wave of foreign students exorbitant sums. A 2004 study by the British Council and Universities UK found that Britain could earn £13 billion a year from international students in higher education by 2020, in addition to the £3 billion they currently contribute to the economy.

Another government-funded study by Geraint Johnes, Professor of Economics at Lancaster University, revealed that the economy earned £11 billion annually from “exports” of tuition for foreign students, training, examinations, publishing and educational programming: “That places education in the same league as exports of oil and financial services, which earned Britain £14.3 billion and £13.6 billion in 2002, according to figures from the Office for National Statistics.”



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