

# Administrators demand additional fee hikes in British universities

By Joe Mount  
7 November 2013

Calls are being made for tuition fee hikes at British universities, as part of the drive towards a privatised education system.

The current £9,000 maximum annual rate is “simply not sustainable,” according to Christopher Snowden, head of the University of Surrey and president of Universities UK, representing vice-chancellors. He claims “fees can’t remain frozen for ever.”

Both *Times Higher Education* and Wendy Piatt, head of the Russell Group of research-led universities, echoed this demand. They all insist that tuition fees increases are the only way to help cash-strapped institutions.

University of Oxford vice-chancellor Andrew Hamilton also called for the removal of the tuition fee cap. He noted that most universities charge the maximum £9,000 fee and that elite universities should be able to capitalise on their reputations, creating a tiered university market. He said, “[G]iven the great diversity in institutions in our higher education system, the notion of different universities charging significantly different amounts doesn’t feel inherently unnatural.”

Both vice-chancellors pointed to their teaching budget deficits. “There should be greater correspondence between tuition costs and the level and quality of teaching and facilities offered,” said Hamilton, adding, “Excellence in most walks of life does not come cheap.”

He claimed per-student teaching costs of £16,000 per year, with science and medicine courses being the most expensive. Hamilton pointed to Oxford’s £70 million deficit and dependence on donations from wealthy alumni, and suggested floating the university on the stock market to raise funds.

Hamilton’s remarks earned the praise of Sally Hunt, head of University and College Union, commending him for “going after one of the rarest nerves in politics to try and get higher education back in the spotlight.”

Hamilton speaks for a social layer that can expect

substantial material gain from privatisation. Currently, senior staff typically earn 15 times the salary of the lowest-paid workers in the higher education sector. Still, vice-chancellors seek the status of their American Ivy League counterparts, such as the Harvard University head who gets the equivalent of £548,038 annually.

More broadly, the ruling class aims to transfer the burden of education costs from the state onto the backs of the working class, as part of preparations for full privatisation.

The immediate motivation for tuition fee hikes is the budget crisis caused by massive public spending cuts. The higher education teaching budget was cut by 50 percent in 2010 by the newly elected Conservative-Liberal Democrat coalition. Simultaneously, the tuition fee cap was tripled to £9,000.

Most universities were forced to charge the maximum rate to avoid budget shortfalls. The amount of teaching “contact time” has remained unchanged over the past decade, despite a ninefold increase in fees, according to a study by the Higher Education Policy Institute and consumer group Which?

Students now pay an average of £8,400 per year for tuition, plus accommodation and living expenses. The average graduate debt burden will be £53,000. Students pay off their debt at a rate below commercial rates that rises with inflation. With the average salary at £26,000 and a loan repayment threshold of £21,000, most students will still struggle to repay their debt.

Snowden, of Universities UK, urged the government to adopt the high-interest-rate regimes employed in the US, Hungary and South Korea.

The American university system indicates the future being prepared for British students. US tuition costs rose fivefold during the past three decades, and graduates are heavily indebted, victims of rapacious interest rates.

The British government may legally and retroactively

change the repayment terms. Plans are being drawn up for the student loan debt book to be turned over to the banks and repaid at commercial interest rates, transforming graduates into a modern-day equivalent of indentured workers.

Hamilton claimed that most institutions are “doing very nicely, thank you” by charging £9,000 per year. This is a lie. British universities face “years of financial challenge” as a result of cuts, declining student numbers and economic recession, according to a Universities UK report. Overall, Britain spends less on universities than any other developed country except for Japan. Just 1.4 percent of GDP goes to universities, as compared to the 1.7 percent international average.

Around 30 universities are threatened with closure or merger, with smaller institutions particularly threatened, according to vice-chancellors surveyed by PA Consulting Group. They predicted declining teaching quality as teaching grants were cut by a further £900 million this year, following a 20 percent cut (worth £1.3 billion) last year.

These add to the 40 percent cut to overall university spending by 2015. This academic year, the Higher Education Funding Council for England slashed the budget of 129 universities and 203 further education colleges from £5.3 billion to £4.5 billion, a decline of 15 percent.

Cuts have led to wholesale course cutting, department closures and job losses. Forty percent of language departments face closure, with the number of universities offering modern languages falling from 105 in 2000 to 63 this year.

Staff pay and conditions are also in the firing line. Academics’ real wages fell 13 percent since the onset of recession. There is a £10.5 billion black hole in the pension scheme that covers 303,000 working and retired academics.

The introduction of tuition fees is part of a strategy of marketisation of the university system, the dismantling of public education and its transformation into a source of profit for the wealthy.

Privately owned universities have proliferated in recent years, with 674 privately funded higher education providers catering to approximately 160,000 students, according to government figures.

This trend was encouraged by the 2011 introduction of student loans for those attending private universities, up to a maximum of £6,000 annually for tuition.

Most of these providers are too small to become full

universities. However, in August, BPP University became the second privately owned full-status university. The London-based university, formerly BPP University College of Professional Studies, has branches across the UK and charges £5,000 per year. In 2010, BPP was the first college in 30 years to be made a “university college.”

With fees uncapped, elite universities such as Oxford and Cambridge will charge astronomical fees like their US Ivy League counterparts, where students typically pay £28,000 yearly tuition. The children of the international super-rich will attend elite institutions, fast-tracked to positions of power and privilege in business and government.

Already, children from better-off families are three times more likely to go to university than those with poorer backgrounds. Two thirds of private-school students progress to university, compared to a quarter from state schools. Poor students are half as likely to progress as their better-off peers, and the gap has widened over the past five years.

The Robbins Report, published in 1963 called for expansion of higher education aimed at increasing social mobility. Anna Vignoles, Cambridge professor of education, pointed out at a conference to mark the report’s 50th anniversary, “Your relative chances of going to university as a poor student have actually worsened over this period.

“Despite the fact we’ve increased participation in higher education so much...it remains the case that the biggest single predictor of whether or not you’re likely to go to university is your family background”.

To contact the WSWs and the  
Socialist Equality Party visit:

<http://www.wsws.org>