

Ontario Confederation of University Faculty Associations  
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## **Trends in Higher Education Finance: The International Experience**

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CENTER FOR THE STUDY OF HIGHER EDUCATION

# Overview

- International trends
- Comparative international data on higher education
- Challenges
- Questions and discussion

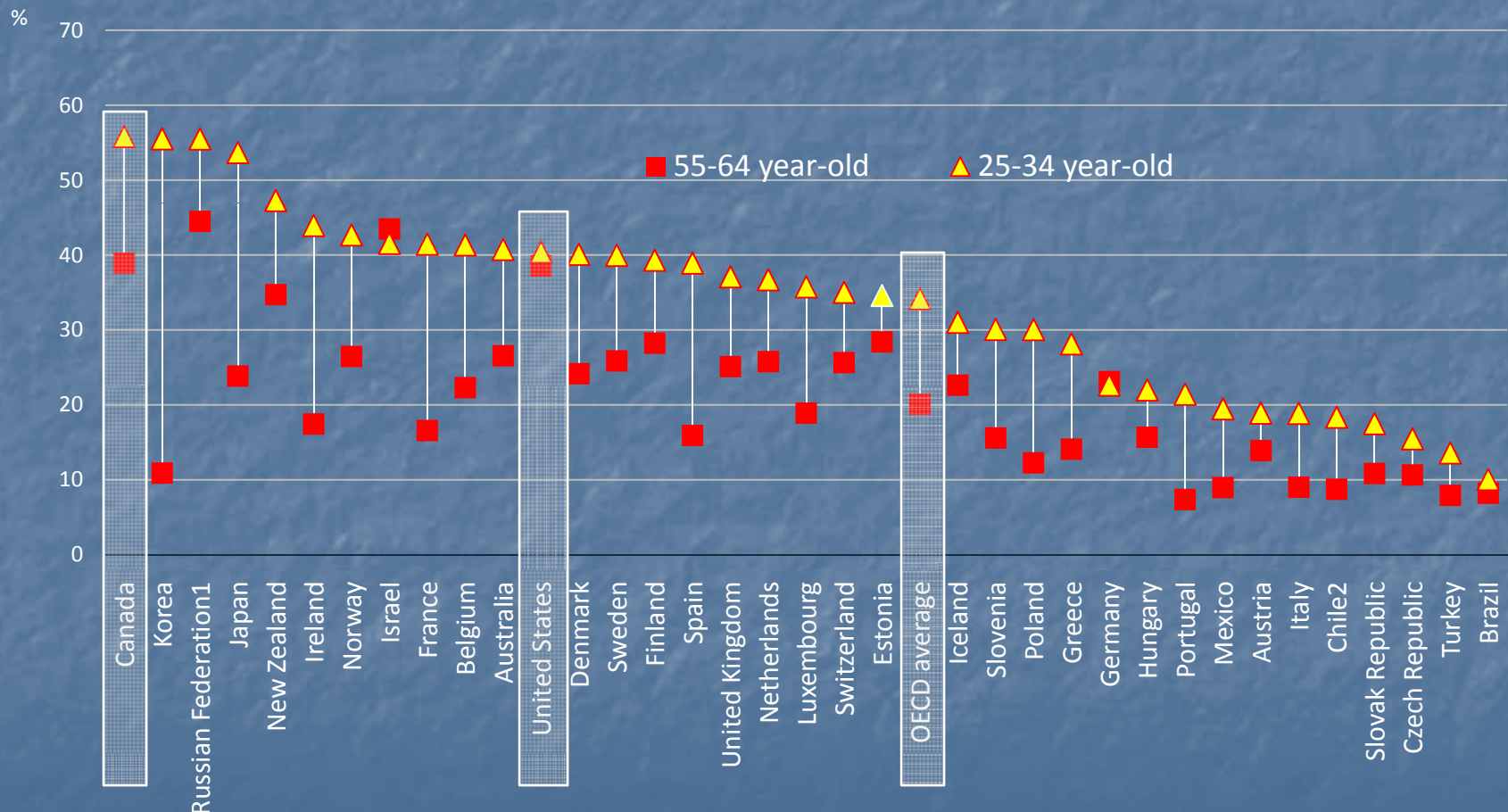
## International trends in higher education

- Massification
- Shift from public to private sources of funding
- Focus on quality assurance and the role of higher education in serving society and the economy



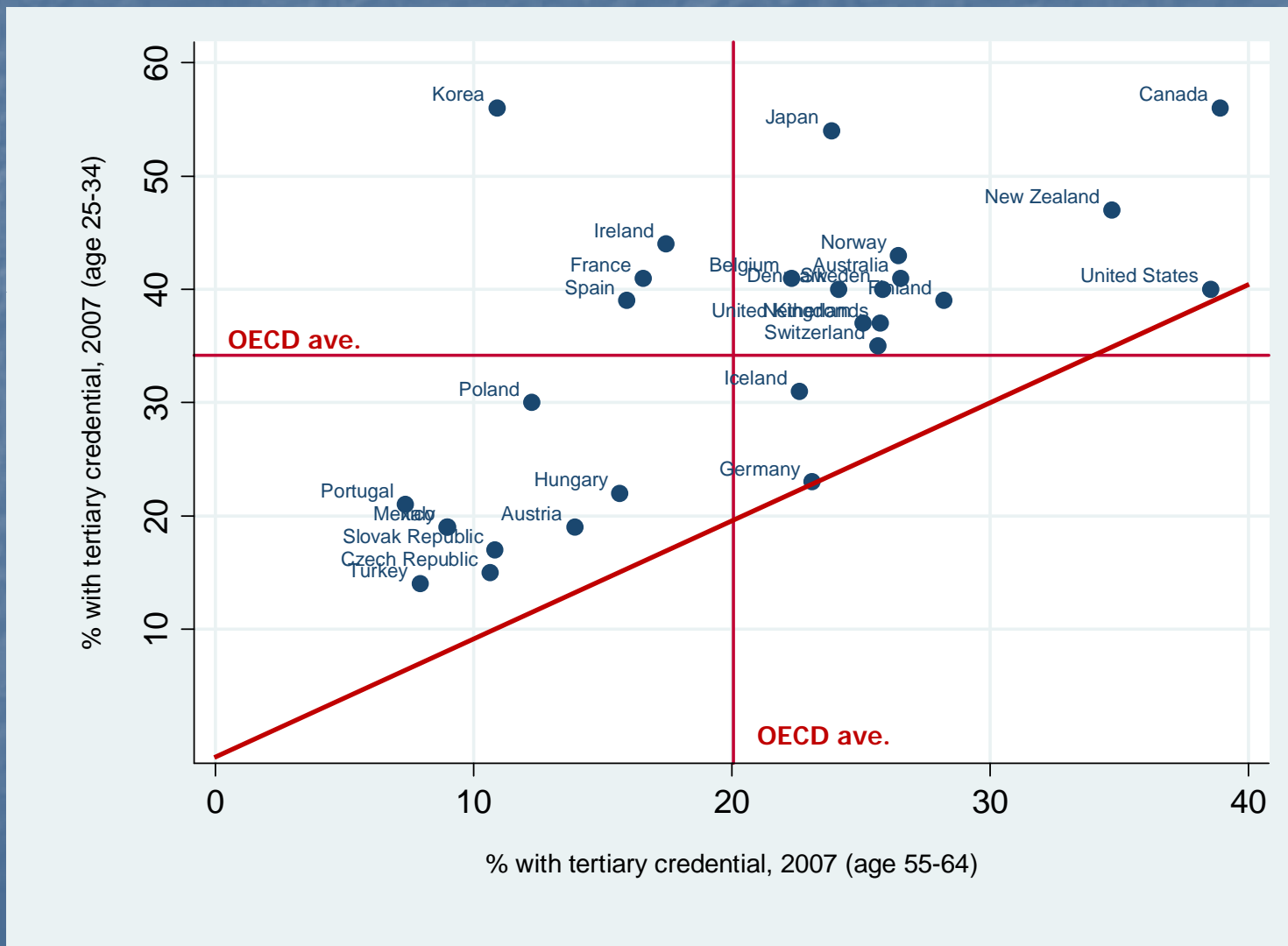
# Tertiary attainment rates

Population that has attained at least tertiary education (2007)  
Percentage, by age group



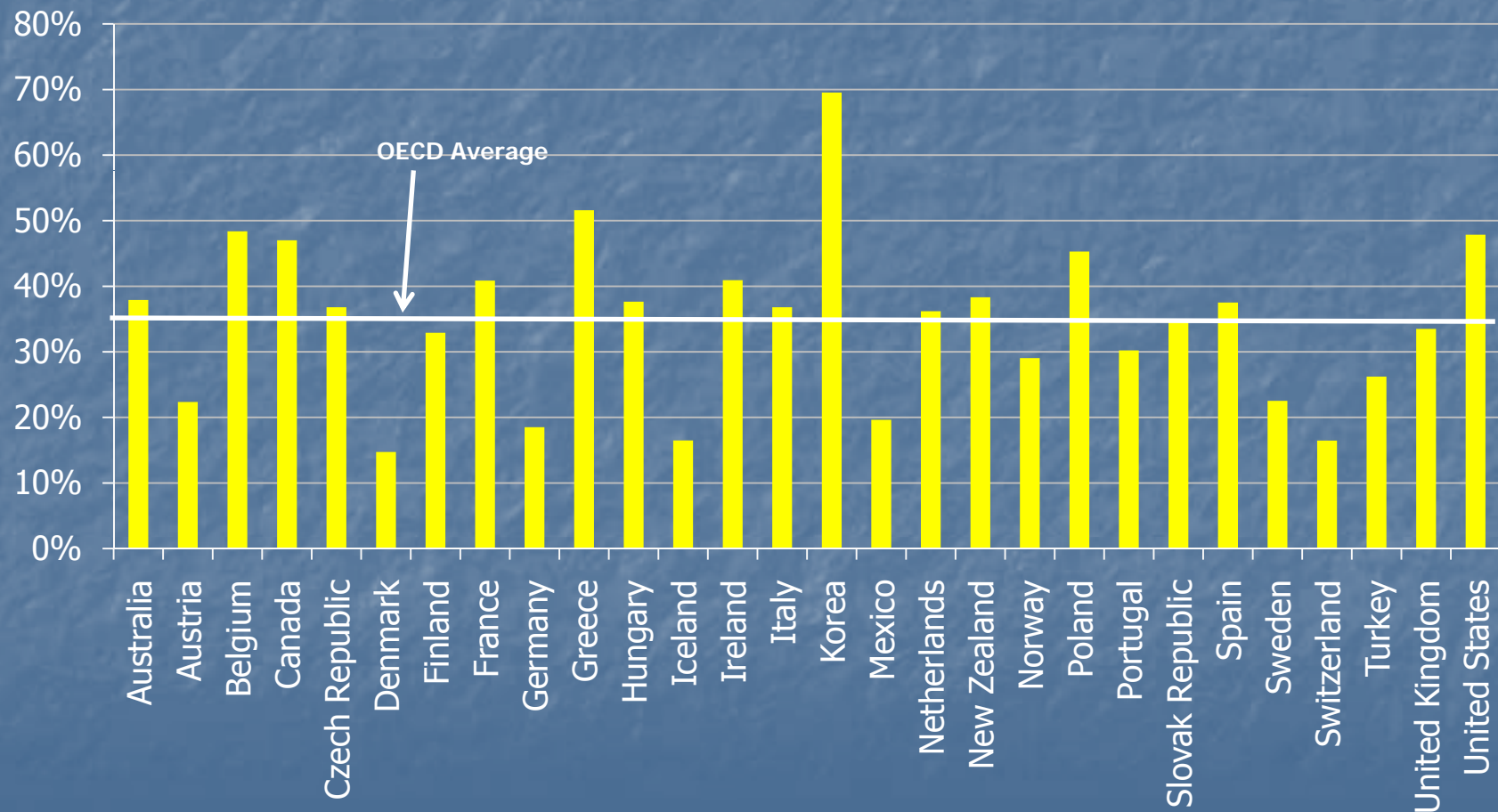
1. Year of reference 2002      2. Year of reference 2004  
 Countries are ranked in descending order of the percentage of 25-34 year-olds who have attained at least tertiary education.  
 Source: OECD. Table A1.3a. See Annex 3 for notes ([www.oecd.org/edu/eag2009](http://www.oecd.org/edu/eag2009)).

# Changes in attainment rates



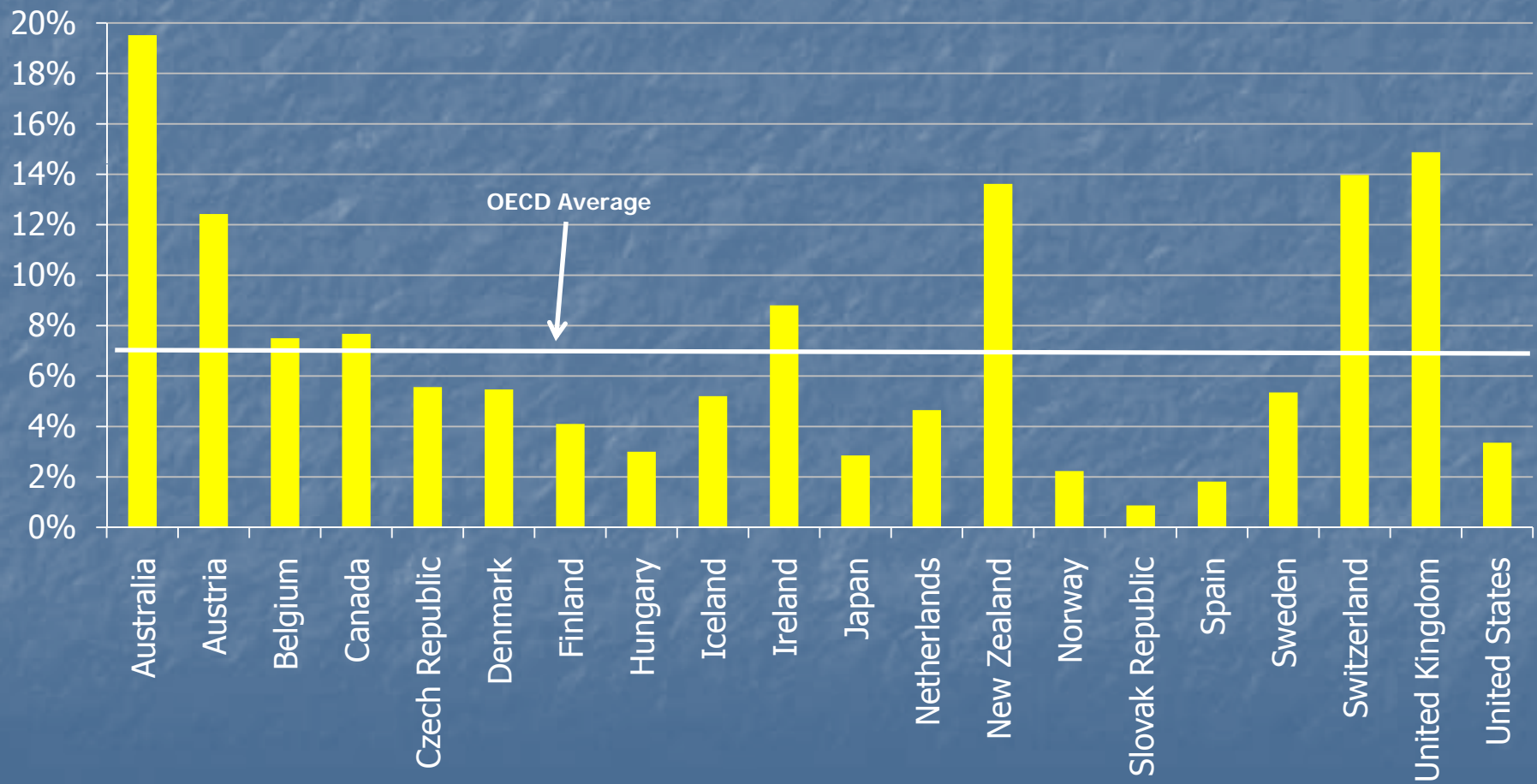
# Tertiary enrolment rates

Enrolment rates of 20 year-olds in tertiary education, 2007



# International students

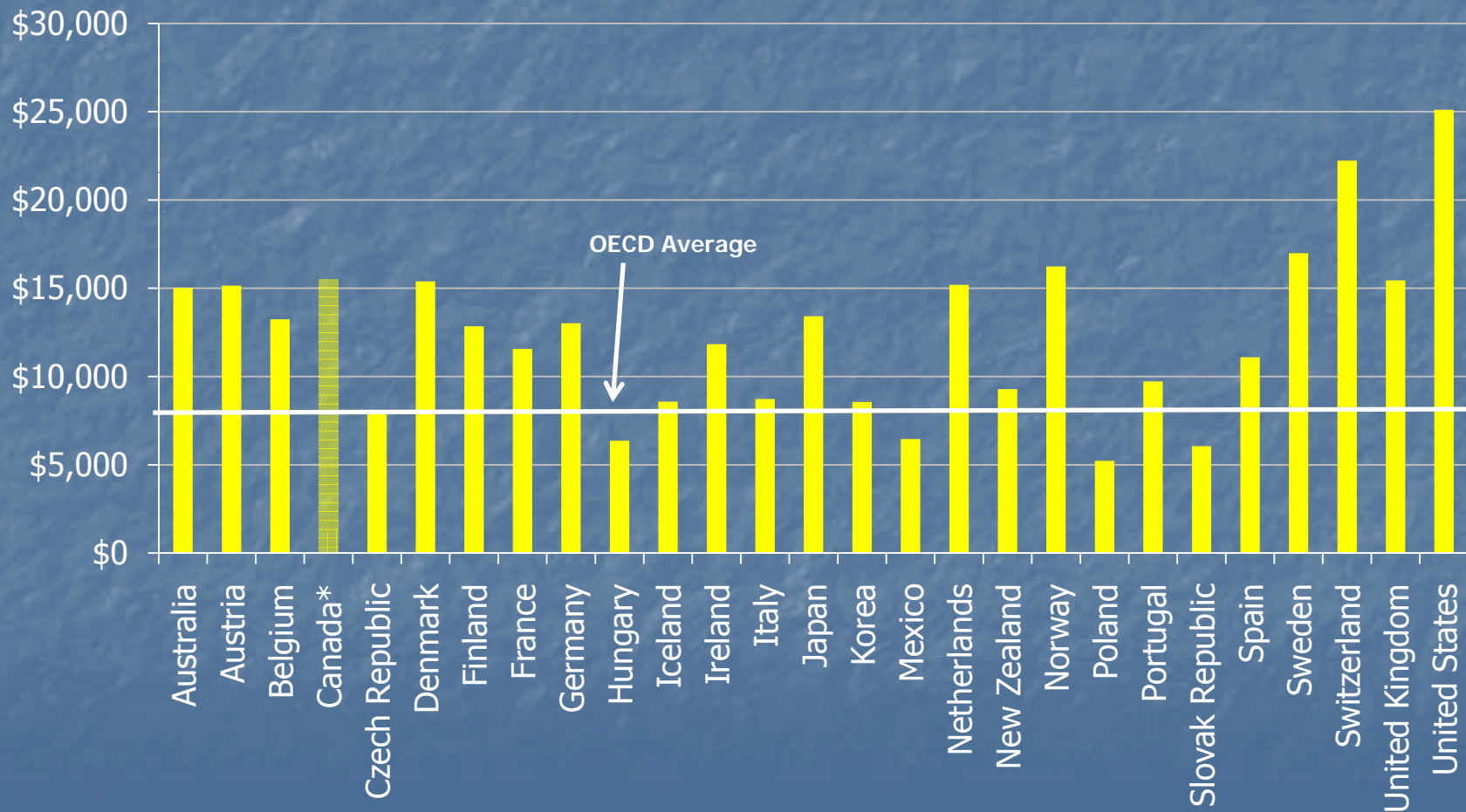
Proportion of international students in tertiary education, 2007





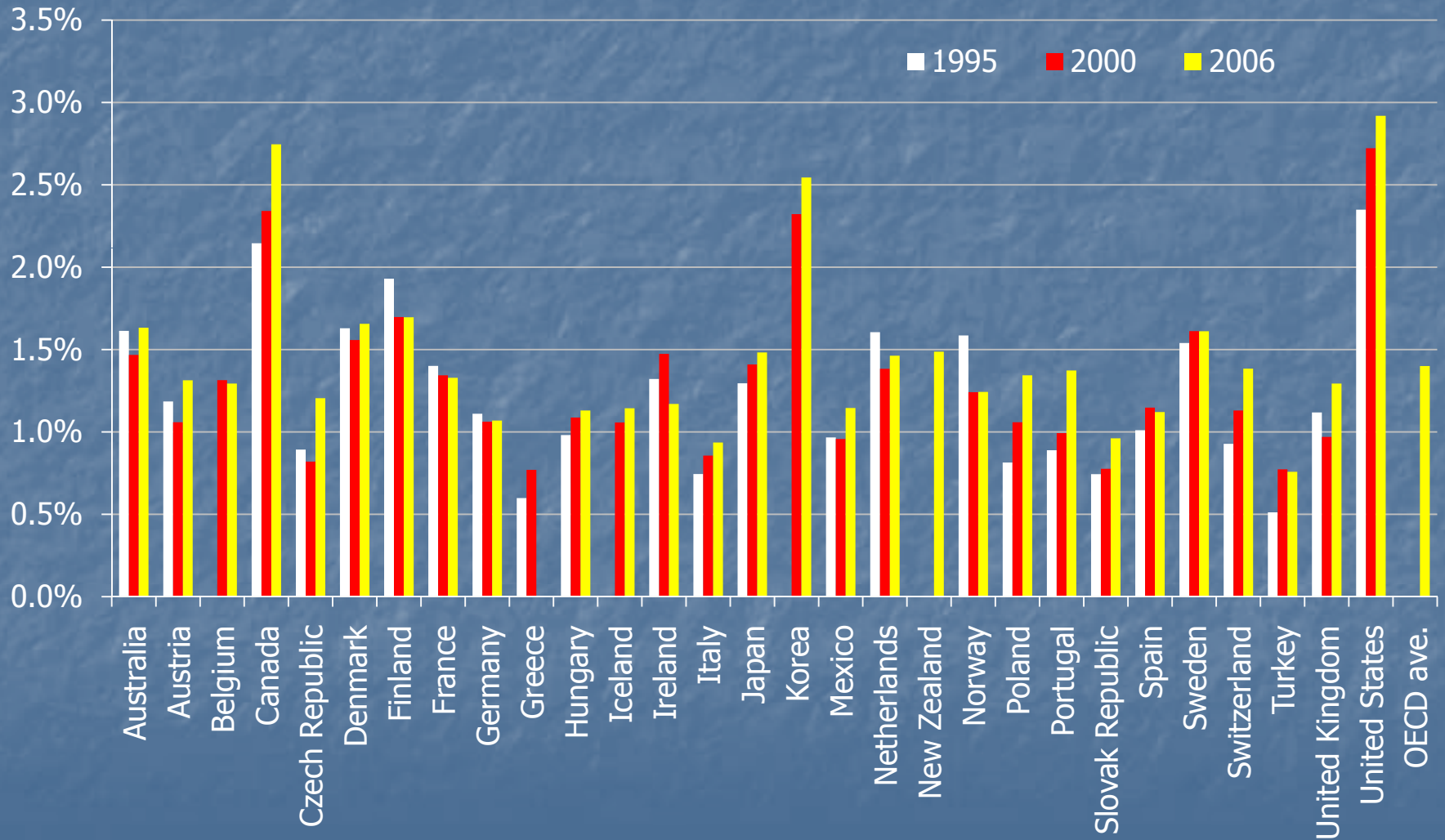
# Spending on tertiary education

Tertiary education spending per student, 2006 (\$US PPP)



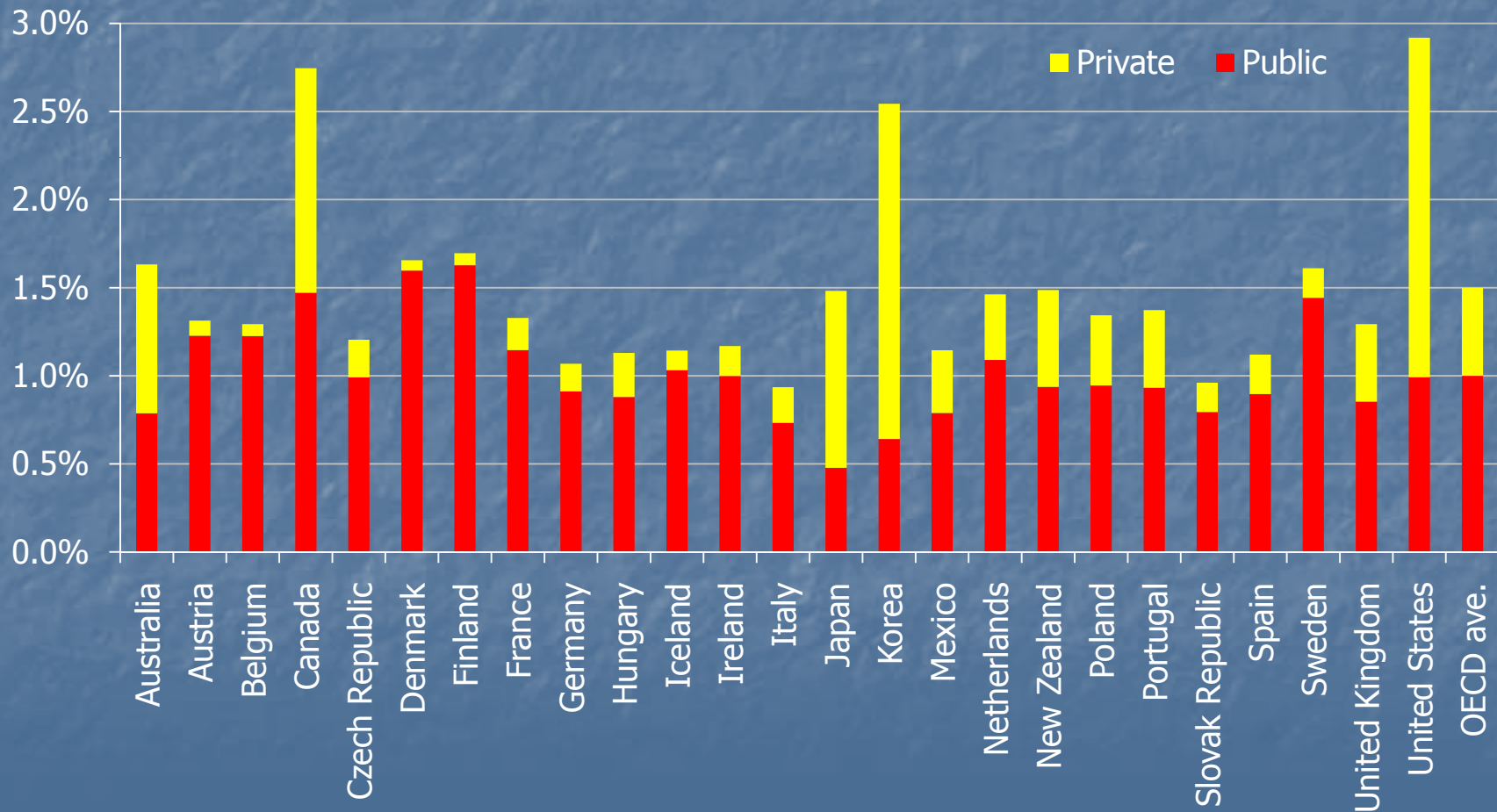


# Tertiary education spending as % of GDP

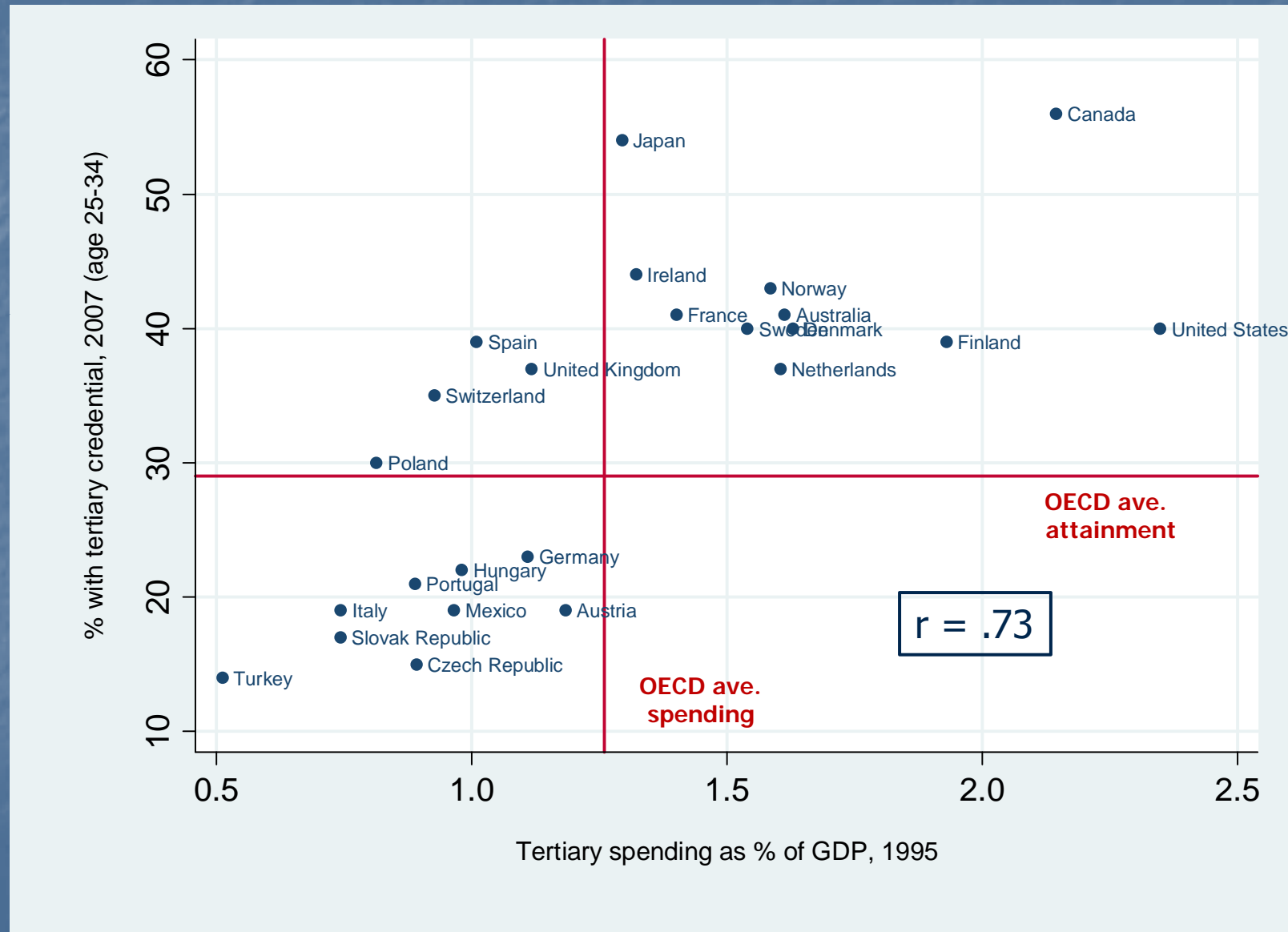


# Public and private investment in tertiary education

Public and private expenditures on tertiary education as % of GDP, 2006



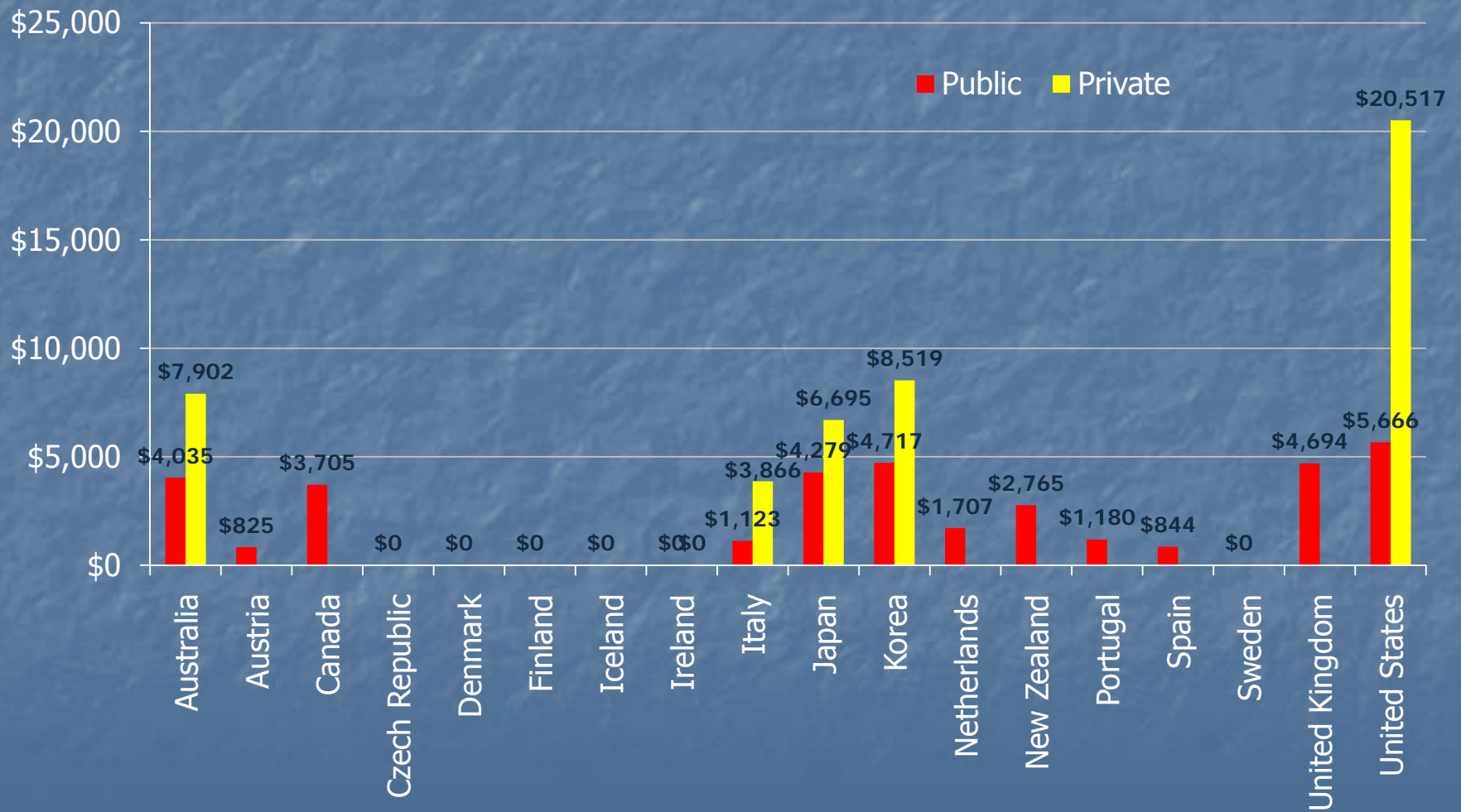
# Relationship between spending and attainment





# Tuition charges

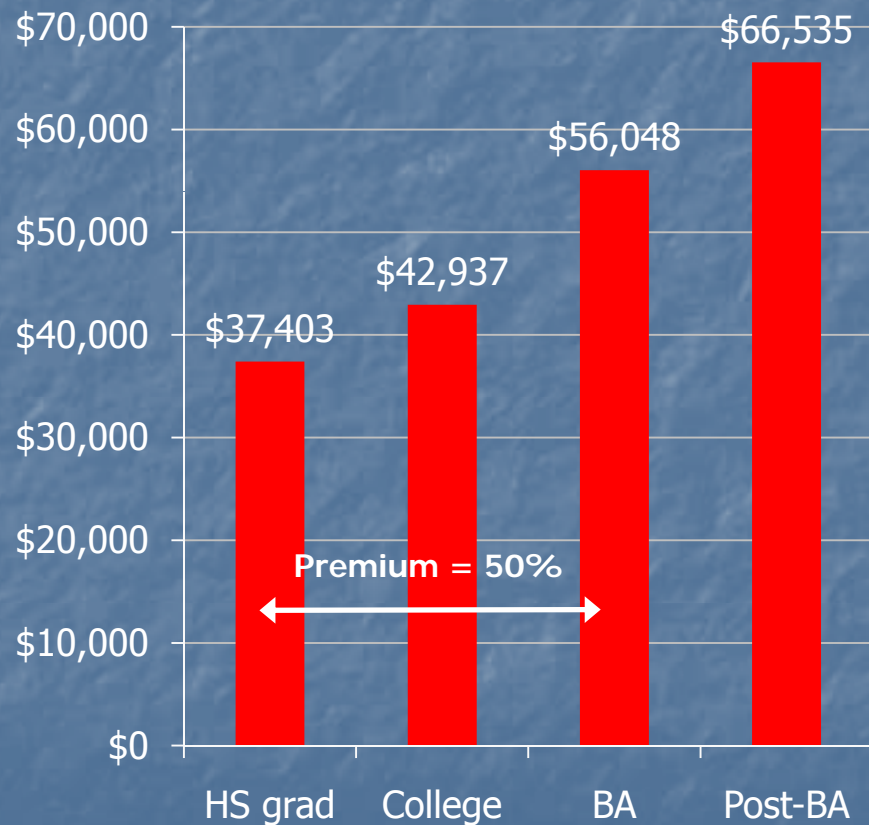
Average university tuition fee charges, 2006 (\$US PPP)



# The importance of education

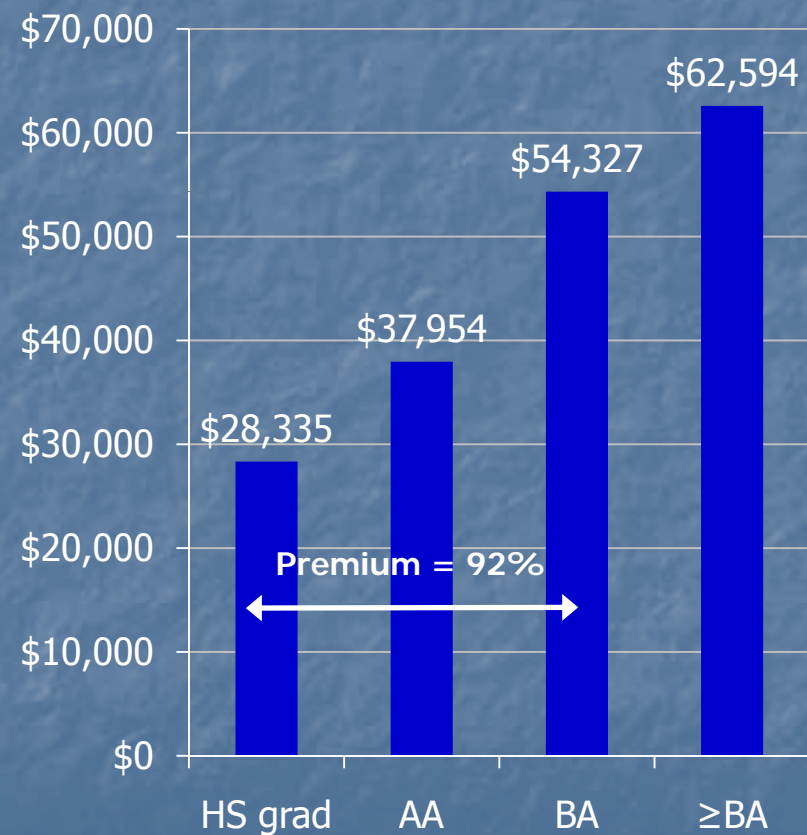
Earnings by educational attainment, 2005

Canada



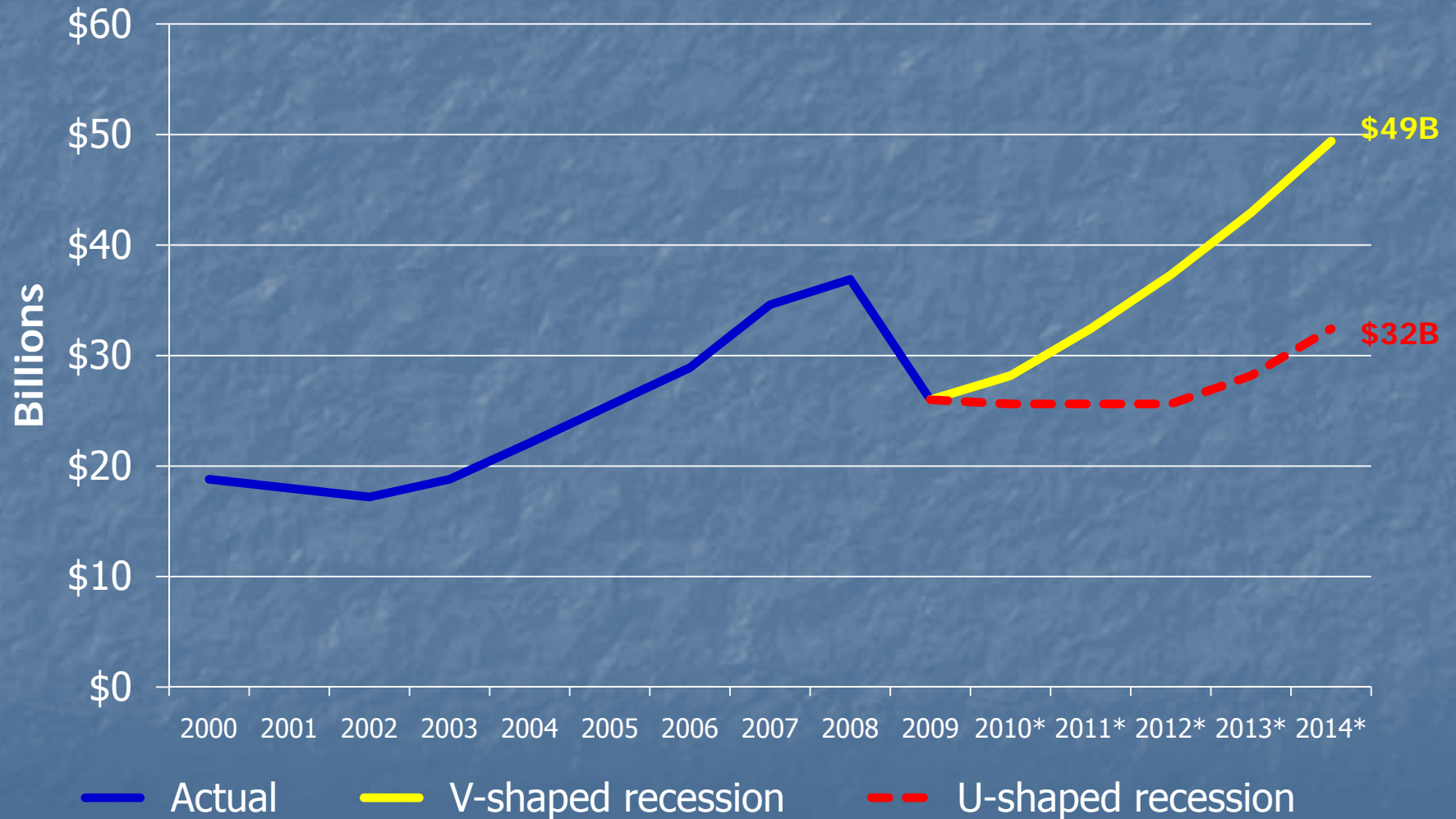
Individuals 25 – 64, CAN\$

US



Individuals 25 and over, US\$

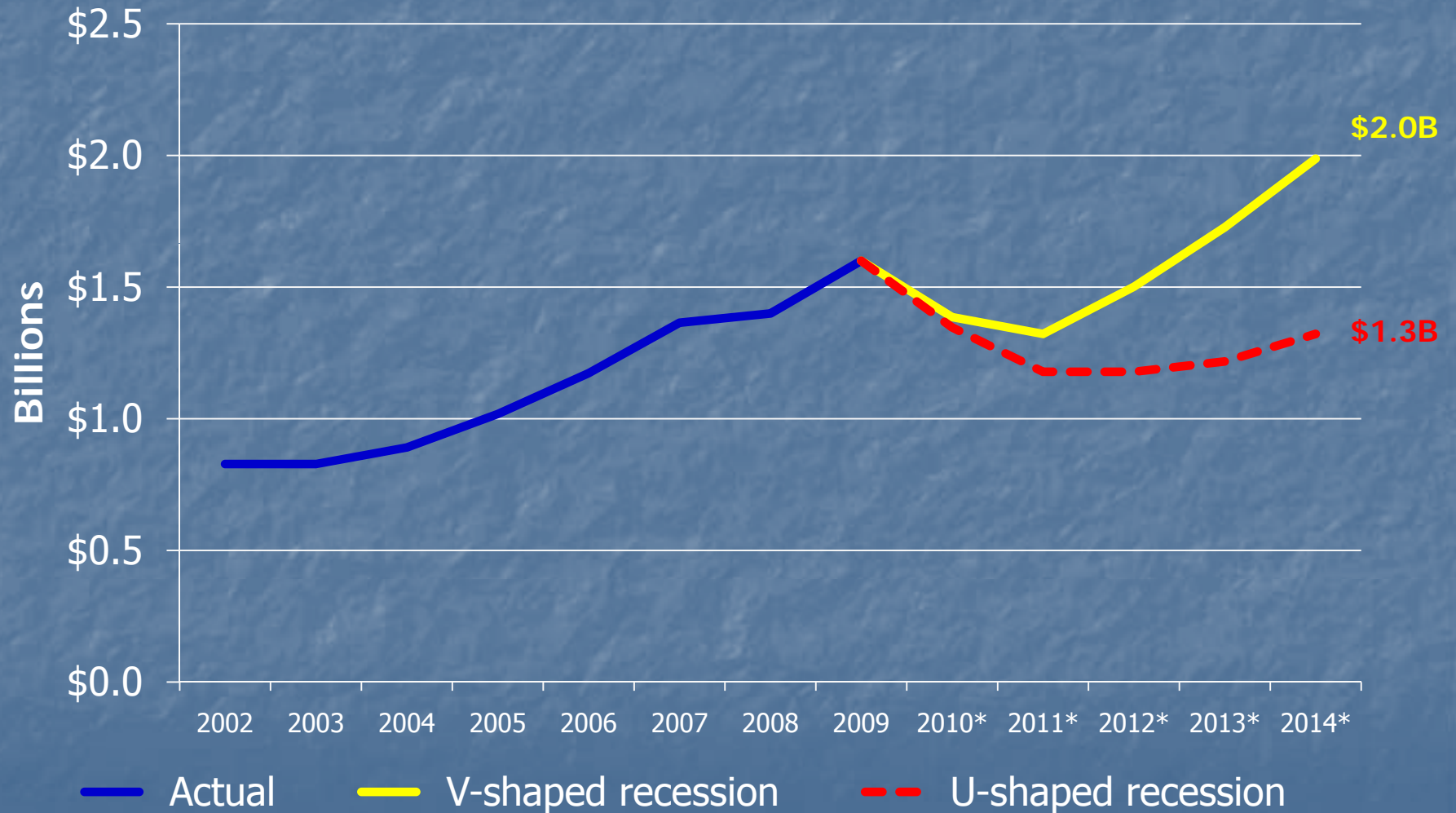
# Endowment value – Harvard University



\*Projected



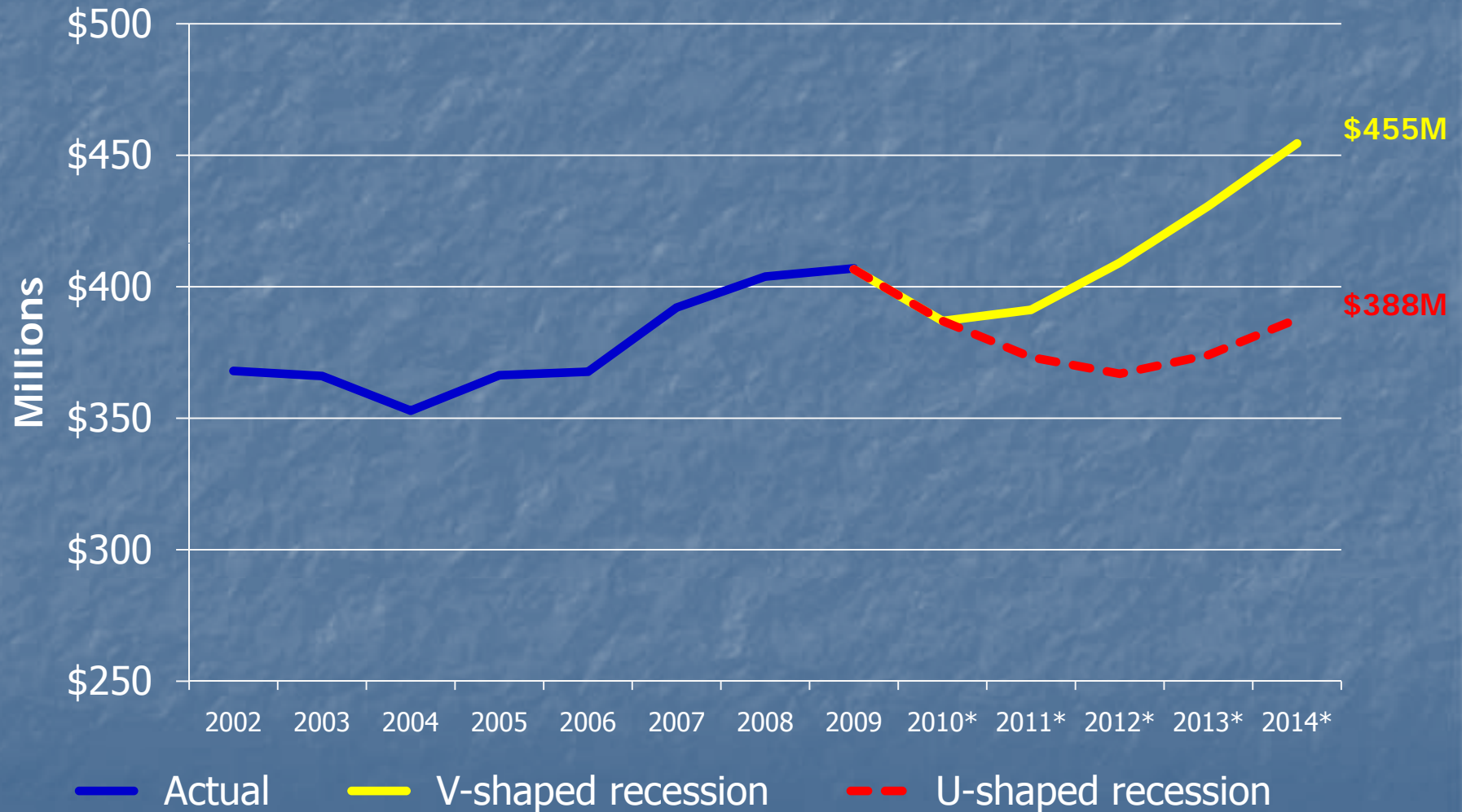
# Endowment payout – Harvard University



4.6% payout rate, 3-year average

\*Projected

# Endowment payout & appropriations – Penn State



\*Projected

# Public funding for higher education in three countries

	U.S.	England	Canada
Public/private funding mix (2006)	34%/66%	65%/35% (UK)	53%/47%
Sources of public funding	51	1	11
Fee-setting authority	Mixed	Public	Public
Loan providers	Multiple	1	1+
Loan type	Mortgage	ICR	Mortgage
Grants	Federal/state/ institutional	Federal/ institutional	Federal/ Provincial institutional

**The challenges of affecting access and attainment through public policy levers are quite different in the three countries**



# Challenges

- Continuing demands for public support of higher education
  - Expansion – access *and* completion
  - Maintaining (or increasing) quality
- The role of private funding
  - Increasing tuition fees
  - Private, philanthropic support
  - Business support
- Ensuring equity
  - Financial, academic, and cultural barriers
- Managing the migration of students
  - Spaces
  - Revenue implications
  - Quality

# Questions and discussion

<http://www.personal.psu.edu/deh29>