

# **Tuition Fees for International Students in Sweden**

**An Analysis of Policy Changes  
and Institutional Responses**

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## DISCLAIMER

**This presentation was delivered on 2 June 2011 at the 63<sup>rd</sup> annual NAFSA Conference in Vancouver, British Columbia at 9:00am in the Simon Fraser Wosk Center.**

**The views expressed in the presentation and related thesis entitled “Tuition Fees for International Students in Sweden – An Analysis of Policy Changes and Institutional Responses” are those of the author’s alone and do not necessarily reflect the views of a given institution, or of ICG.**

# AGENDA

**Welcome: Dr. Randall Martin, Executive Director of BCCIE**

**Welcome: Dr. Daniel J. Guhr, Managing Director of ICG**

**Introduction: Dr. Eva Åkesson, Pro Vice-Chancellor of Lund University**

## **Thesis: The Introduction of Tuition Fees in Sweden**

**Policy Changes and Issues Triggered**

**Institutional Responses**

**Nordic Perspectives: Denmark, Finland and Norway**

**Outlook: A Reset of Sweden's Recruiting Position**

**Discussion**

# THE INTRODUCTION OF TUITION FEES IN SWEDEN

## A Major Paradigm Shift

- **Beginning fall 2011, non-EEA students will pay tuition fees in Sweden for the first time**
- **This policy shift marks a significant departure from past practices for both Sweden and the Nordic Region**
- **As acknowledged in the bill's title, *Competing on the basis of quality – tuition fees for foreign students* Swedish institutions will now have to compete globally for international students**
- **This thesis sought to examine the first 14 months following the introduction of tuition (and application fees) for non-EEA students**

# THE INTRODUCTION OF TUITION FEES IN SWEDEN

## Information Gathering and Data Sources

- **Real-time analysis from primary sources**
  - **Conversations with over 60 stakeholders in 10 months**
  - **Government documents, national data sources, and university websites**
- **Case study on Lund University**
  - **Regular personal contact with staff and administrators**
  - **Internal documents regarding the process provided by the University**
- **Capsules on Denmark, Finland and Norway**
  - **Cross-national comparisons**
  - **Contextualization for Sweden**

**In-depth documentation coupled with broad contextualization**

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## **POLICY CHANGES AND ISSUES TRIGGERED New Roles and Responsibilities for Actors**

- **The introduction of tuition fees for non-EEA students was preceded by a series of legislation which aimed at increasing institutional autonomy and internationalization**
- **“Academia for this Day and Age” (a.k.a. *The Autonomy Bill*) was passed alongside the introduction of tuition fees to provide institutions greater self-determination regarding the fees**
- **Legislation has affected an already complex stakeholder landscape: the institutions, the Ministry, VHS (national admissions system), HSV, SUHF, the Swedish Institute, etc.**
- **Stakeholders across the higher education landscape are experiencing new challenges never encountered before tuition fees were introduced**

**Increased autonomy and new requirements have altered actors' positions**

## **POLICY CHANGES AND ISSUES TRIGGERED**

### **Not Just Tuition Fees – Application Fees Introduced**

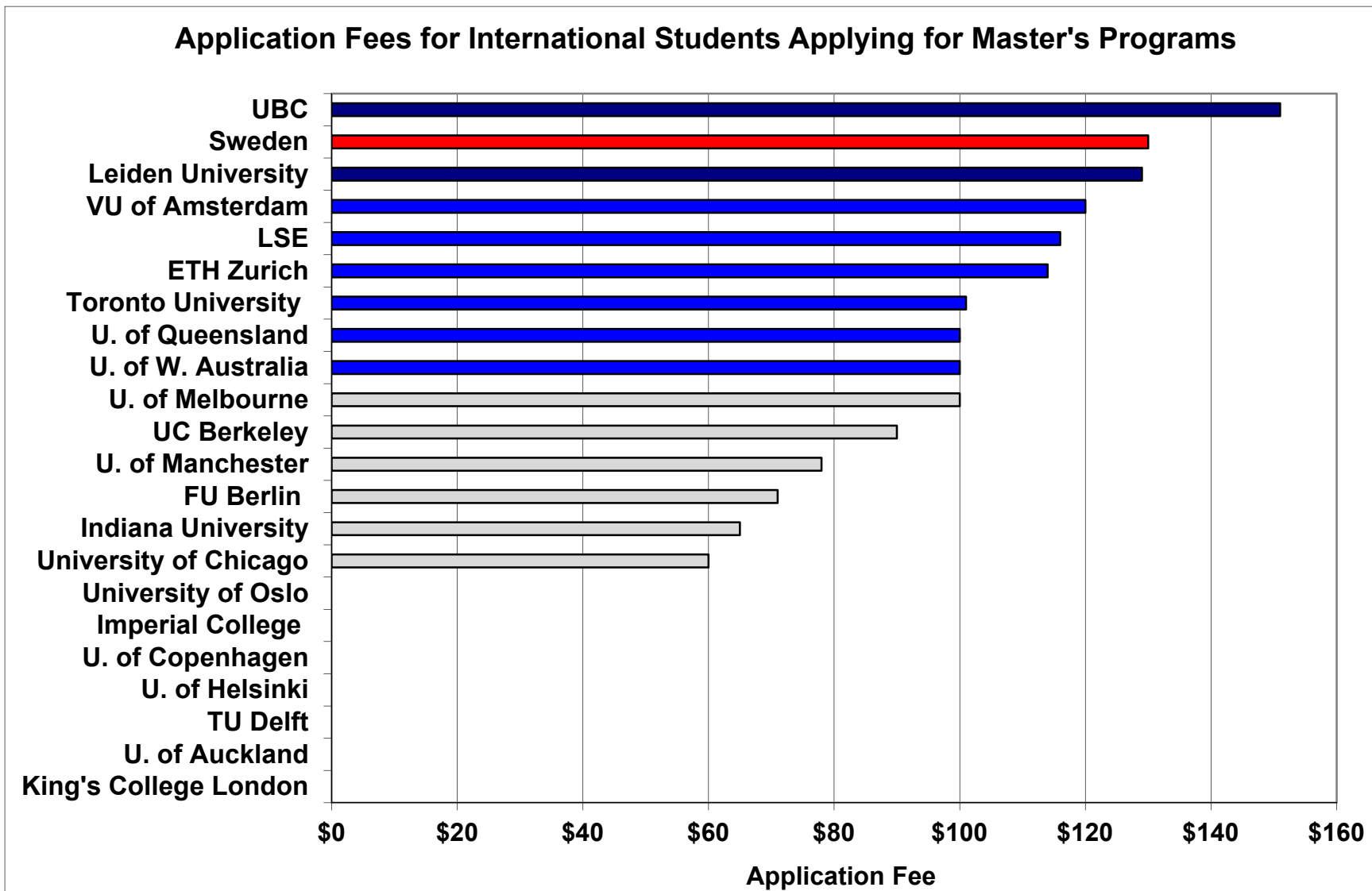
- **In 2008, the total number of non-EEA applications received by the Swedish national admissions system was over 114,900 – of which 18,000 were offered admissions**
- **Increasing numbers prompted discussions on how to cope with the massive influx and burden on the system**
- **An application fee of SEK 1,000 (EUR 111) was proposed for 2010-2011 but was then postponed – eventually coinciding with the introduction of tuition fees. The final amount, SEK 900 (EUR 100) is set into law so that any changes or adjustments to the amount must be made in the law itself**
- **The application fee covers up to four choices/program applications. This is a different approach relative to individual institutional applications**

**Fall 2010 – 37.8 percent of applicants applied for only one program**



# POLICY CHANGES AND ISSUES TRIGGERED

## International Master's Application Fee Comparisons (I)



Source: Institution's websites.

Notes: Exchange rates calculated on 7 January 2011.

## **POLICY CHANGES AND ISSUES TRIGGERED**

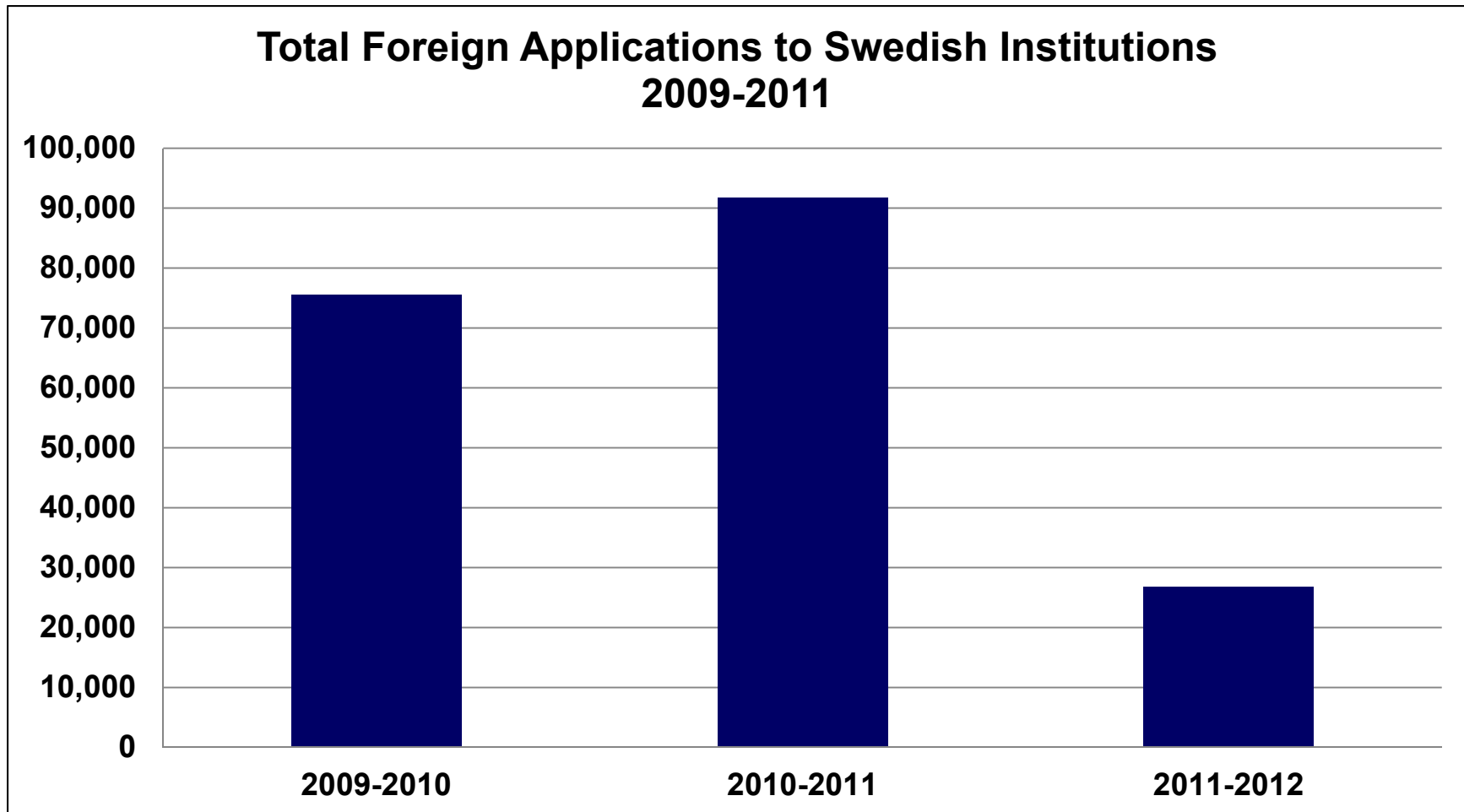
### **International Master's Application Fee Comparisons (II)**

#### **Notes regarding previous chart:**

- **UBC waives all application fees for applicants whose citizenship is from the 50 least developed countries or graduate students applying to the Chemistry program (paid for by the department)**
- **Imperial College charges USD 150 for application for the MBA program, USD 75 for applications to the MSc at the Business School, all others are free of charge**
- **Berkeley provides fee waivers to U.S. citizens or permanent residents who can demonstrate financial need are eligible to apply for a waiver of the application fee**
- **University of Manchester only charges fees for some business programs**
- **University of Melbourne provides several waivers including current students, applicants sponsored by a government or private company, those given a waiver at the staff's discretion**

# POLICY CHANGES AND ISSUES TRIGGERED

## Application Response to the Introduction of Fees



**The introduction of tuition and application fees - not a drop, but a baseline**

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# INSTITUTIONAL RESPONSES

## Post-Tuition Fee Issues

### Tuition Fee Setting

- Price components
  - Full cost recovery but also new costs connected to recruiting fee-paying students
- External Drivers
  - E.g. pricing relative to market position, exchange rates, etc.

### Planning

- Course and program offerings
  - Relative to changing demand patterns
- Marketing & recruitment
  - Increased efforts/funds
- Scholarships
  - Alignment with admissions
- Institutional design changes

### Admissions

- Time lining
  - Application cycle relative to global practices
- Decision making
  - More timely
- Application fees
  - Barrier to applicants
- Visa & Immigration
  - Processing alignment

**Responses to issues never encountered in the tuition-free environment**

# INSTITUTIONAL RESPONSES

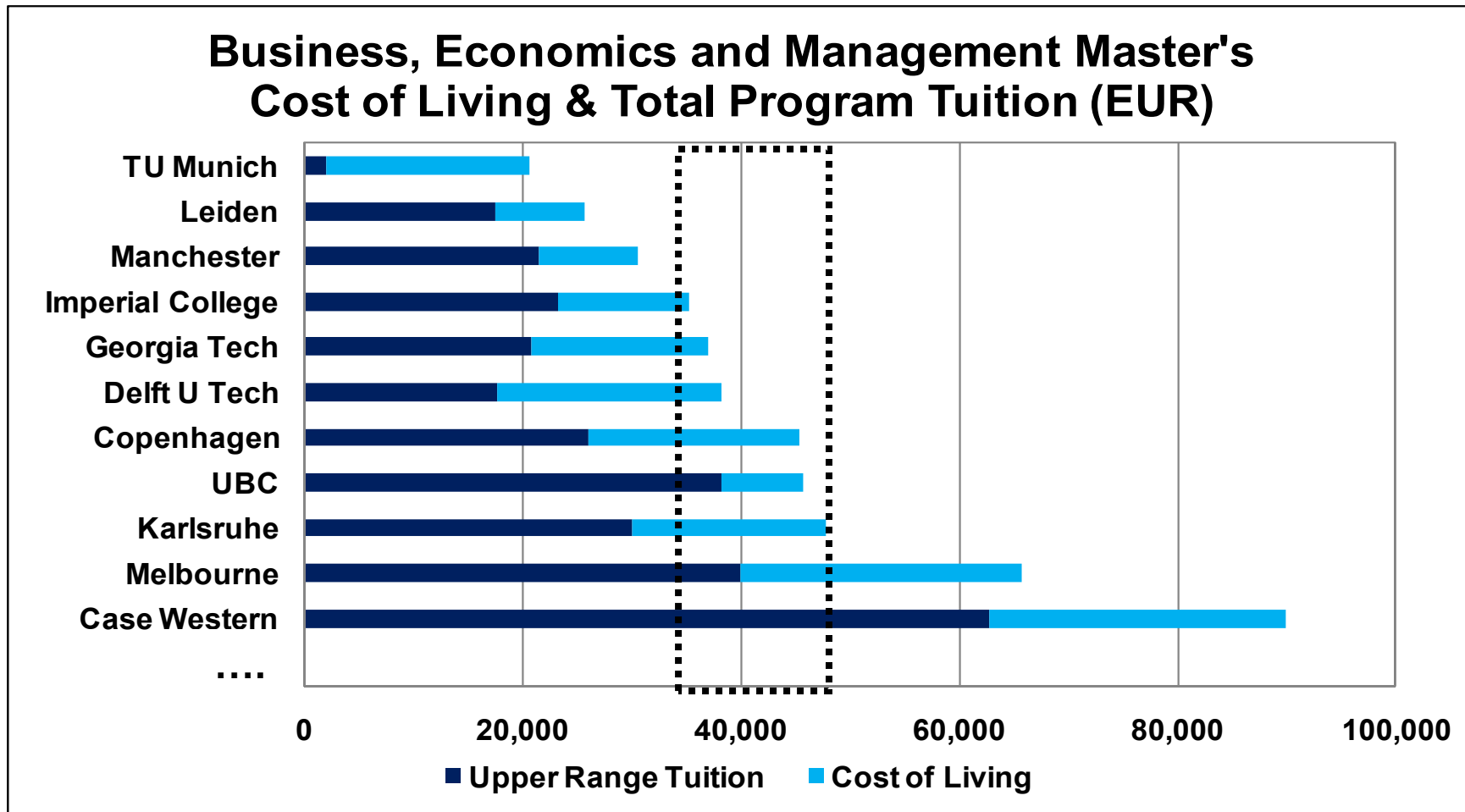
## Tuition Fee Setting

- Limited time to set fees as *Competing on the Basis of Quality* went into effect 1 July 2010
- While tuition fees had a broad minimum (full cost coverage) set by the government, the exact amount was left up to the discretion of each institution
- In the process of tuition fee setting, institutions were faced with new price components (e.g. new administrative costs, marketing, etc.)
- Additionally, new elements such as Sweden's brand position, the cost of living in Sweden have become increasingly important to understand

**Expert tuition fee setting is a science, not an art**

# INSTITUTIONAL RESPONSES

## Tuition Fee Setting



**BE&M Programs have a total degree cost bracket (Euro 36-48,000)**

# INSTITUTIONAL RESPONSES

## Lund University Case Study: Institutional Overview

- **Total international students at Lund University, 2009-2010: 4,583**
  - **Non-EEA students: 1,633**
  - **Incoming exchange: 1,452**
  
- **English language offer**
  - **546 Courses (of 2,019) in English**
  - **85 Programs (of 274) in English**

- **Rankings**

2005		2006		2007		2008		2009		2010	
THE QS	ARWU	THE QS	ARWU	THE QS	ARWU	THE QS	ARWU	THE QS	ARWU	THE*	ARWU
180	99	122	90	106	97	88	97	67	101-151	89	101-150



# **POLICY CHANGES AND INSTITUTIONAL RESPONSES**

## **Case Study: Lund University – Early Action**

- **Leadership at Lund had begun in early 2009 to monitor the government's actions toward the introduction of tuition fees**
- **This included extensive interviews of faculties, market analysis, and a SWOT analysis on the University's preparedness for the potential impact of tuition fees for non-EEA students**
- **Once fees became imminent, the initial institutional response was to further gather and process information on the potential impact of tuition fees and needed responses through multiple channels and approaches**
- **These included engaging in peer learning and study trips, involving faculties and departments, and seeking the advice of external experts as well as forming multi-level internal groups**

**Leadership proactively gathered intelligence – internally and externally**

# **INSTITUTIONAL RESPONSES**

## **Case Study: Lund University – Multiple Initiatives**

- **Marketing and Recruitment**
  - **English language website re-design**
  - **International education fair attendance**
  - **Engagement with agents**
  - **Web 2.0 and on-line competitions**
  - **Marketing surveys**
- **New offerings for international students**
  - **Pilot career services program**
  - **Free Swedish language courses**
  - **International services desk**
- **Evaluation of admissions processing**
  - **Analysis of competitiveness of the national application and admissions system**

**Handling of tuition fees delegated across multiple parts of institution**

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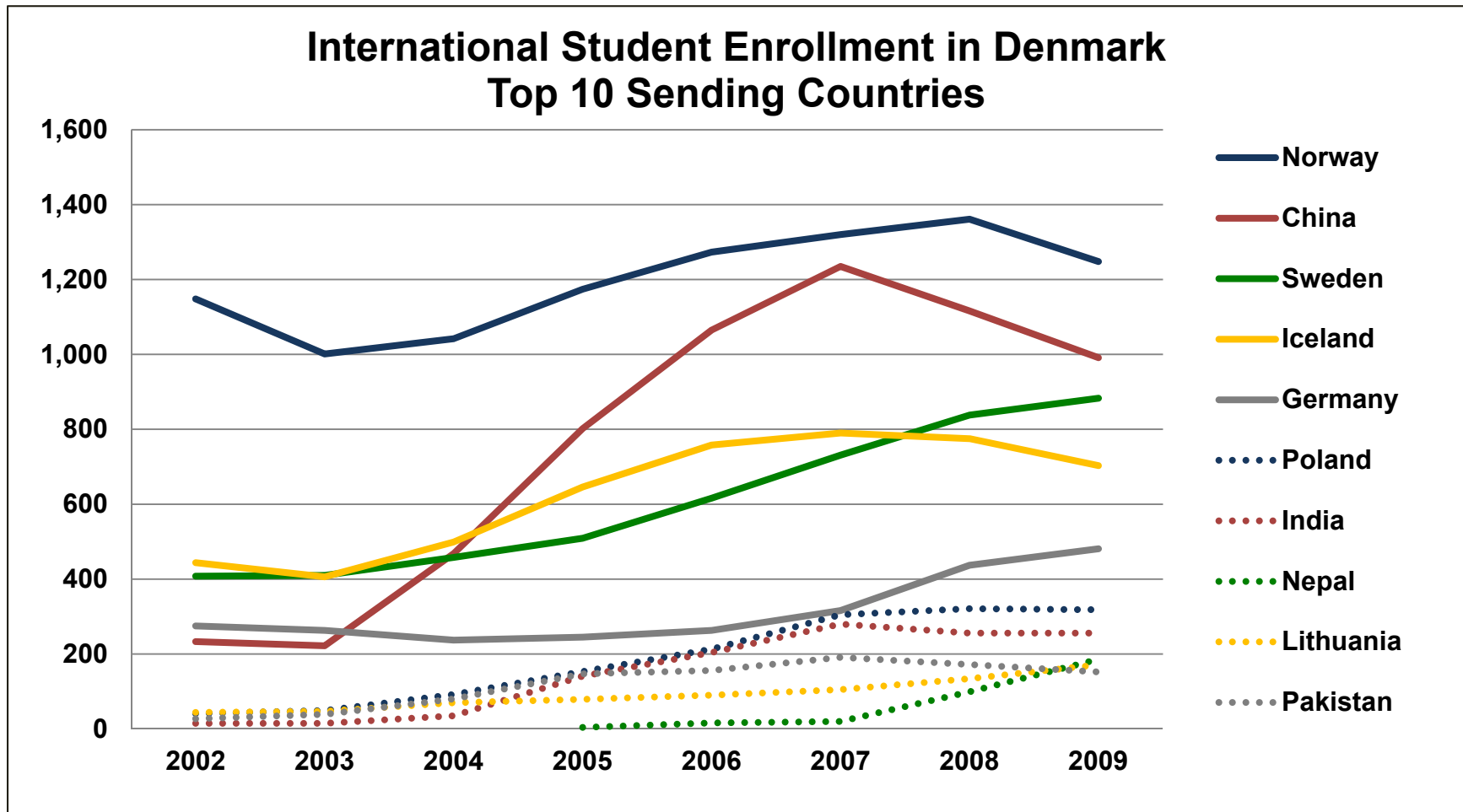
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# NORDIC PERSPECTIVES

## Denmark



**Decline in non-EEA students after the introduction of tuition fees in 2006**

Source: IU.

# NORDIC PERSPECTIVES

## Denmark

### Intake of International Full Degree Students in Denmark

Origin	2006	2007	2008	2009
EEA	1,733	2,030	2,477	1,975
Non-EEA	1,274	741	813	962
Unknown	41	7	3	2
Total	3,048	2,778	3,293	2,939

- The introduction of tuition fees for non-EEA students in Denmark in 2006 was followed by a decline in non-EEA university-level student intake from 1,743 in 2006 to 741 in 2007
- But in 2008 and again in 2009, non-EEA intakes began to recover
- Total international student intake also began to recover and overtook 2006 levels, driven primarily through exchanges and EEA student intake

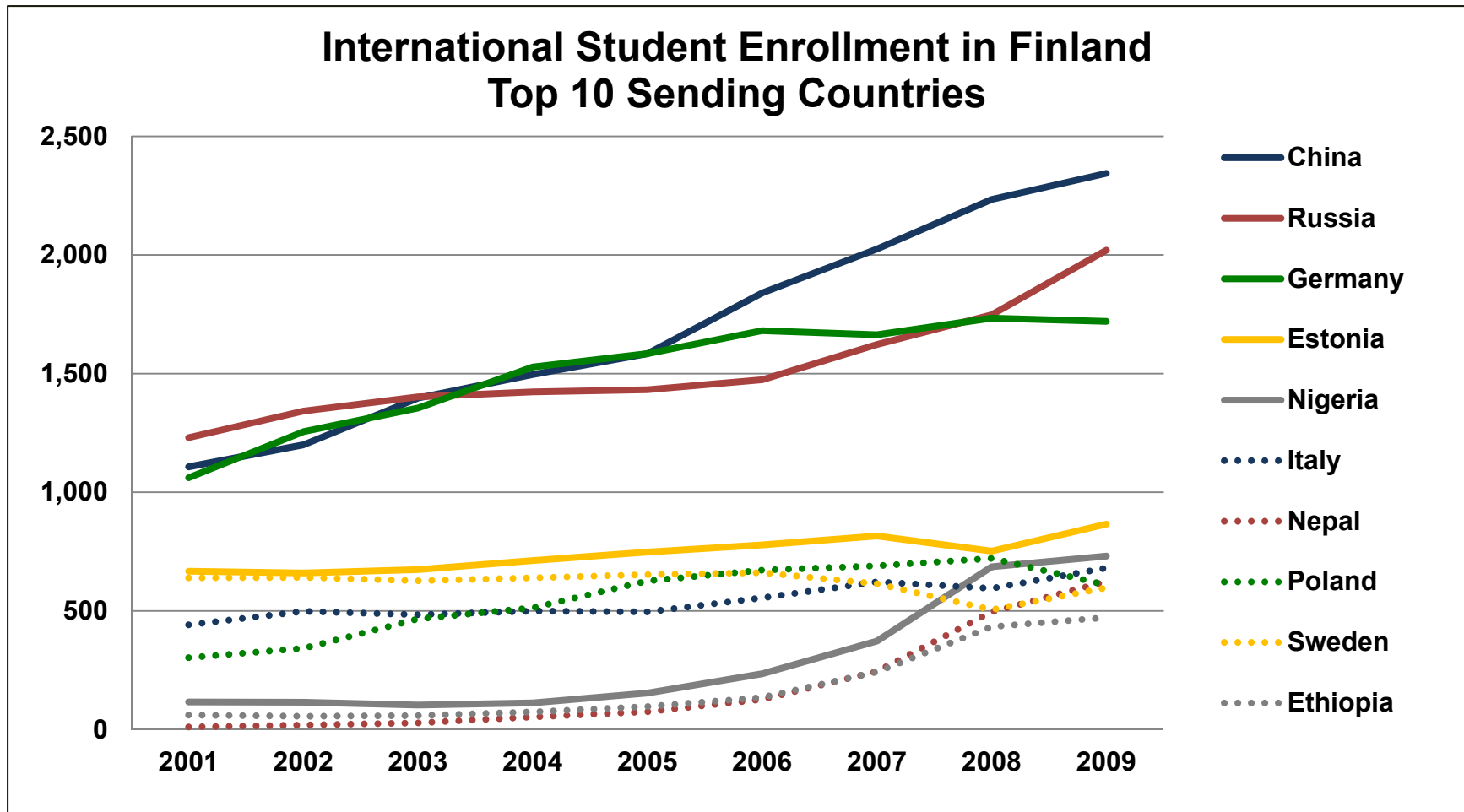
# NORDIC PERSPECTIVES

## Denmark

- **First country in the Nordic region to introduce tuition fees for non-EEA students**
  - **Data show that experiences have differed by institution**
  - **Some institutions increased enrollments after a drop, others did not**
- **Tuition fee levels**
  - **Tuition fees vary (EUR 6,000-16,000). Most average around EUR 10,000**
- **Increased unbalanced exchanges**
  - **7,899 international incoming / 5,297 domestic outgoing (2008-09)**
  - **In February 2011, Ministry of Education announced enforcement of balanced exchanges. This policy action was subsequently suspended**

# NORDIC PERSPECTIVES

## Finland



**Absolute number of international students has nearly doubled in 8 years**

Source: CIMO.

# NORDIC PERSPECTIVES

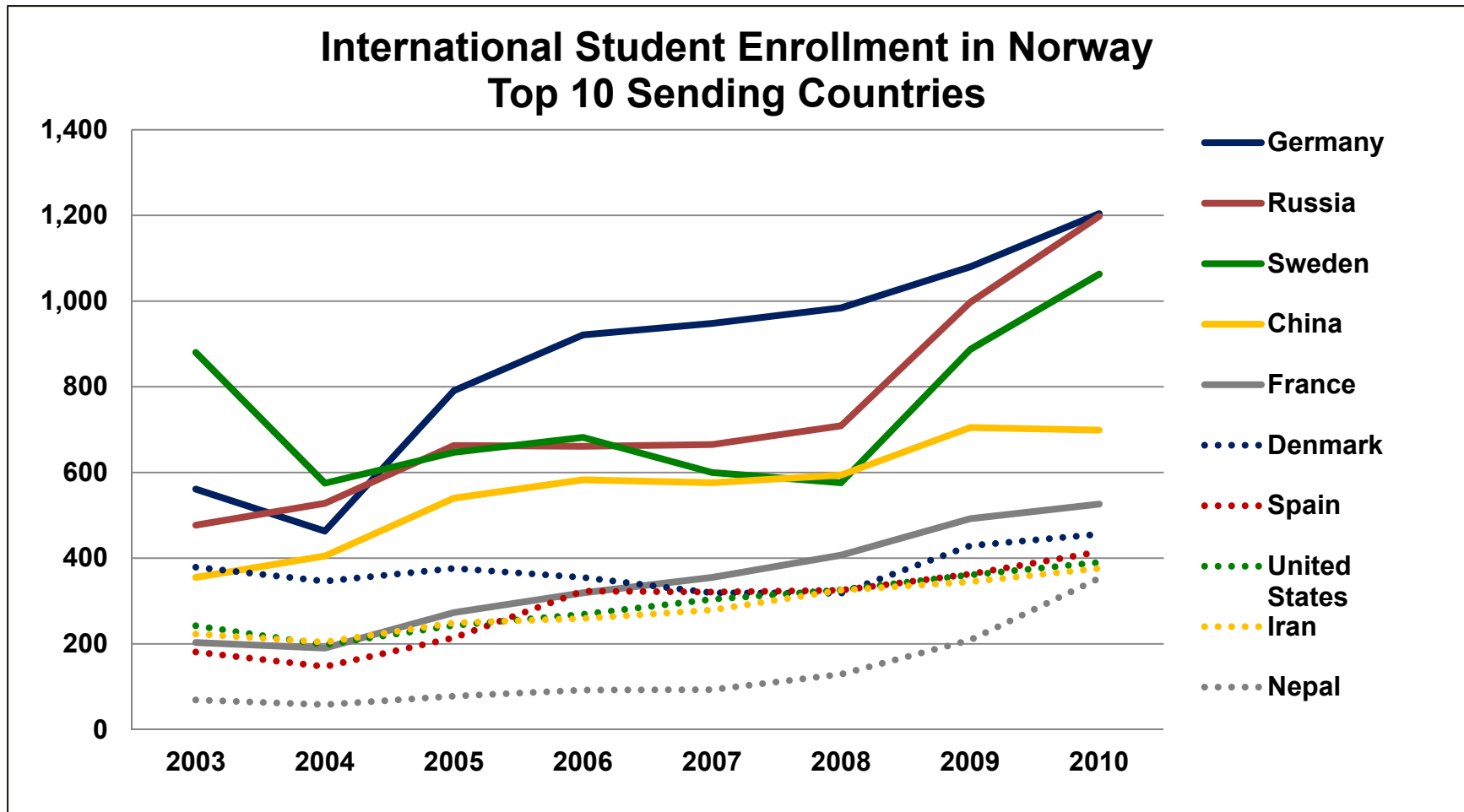
## Finland

- **Ministry of Education commissioned non-EEA tuition fee study in 2005**
  - **Recommendation for fees between EUR 3,500 and 9,000 in 2007**
  - **Fees were not, however, implemented**
- **New Universities Act (2009) included tuition fee trial period**
  - **Option to charge fees for non-EEA Master's students**
  - **Participating institutions can decide on which programs to enact fees, but must develop a scholarship scheme**
  - **Runs from 2010-2014 and may affect a relatively small number of students – 3,500**
- **Trial programs underway**
  - **Currently there are 120 programs across nine institutions with the *possibility* of charging tuition fees**



# NORDIC PERSPECTIVES

## Norway



**Absolute number has increased from 9,918 in 2003 to 16,482 in 2010**

Source: NSD.

# NORDIC PERSPECTIVES

## Norway

- **Current Government Minister of Research and Higher Education and Head of Church, Research and Education in the Parliament have both publicly opposed the introduction of fees**
- **In 2010, the Christian Democratic Party (KrF) announced that it would be in favor of introducing tuition fees for non-EEA students. Conservative party Høyre supports a discussion of tuition fees**
- **The current Norwegian policy landscape is placing Norway in a different position relative to its Nordic neighbors. If this position is sustained, the Norwegian higher education system is likely to be impacted in a number of ways**

# NORDIC PERSPECTIVES

## Summary

- **With the introduction of tuition fees in Denmark and Sweden, and the introduction of a tuition-fee trial period in Finland, the region is facing fundamentally changing recruiting dynamics**
- **It is important to note that the presence of tuition fees as such is not synonymous with an inability of non-EEA student to access the above countries**
- **Institutional responses to having to compete on the basis of tuition fees are differing. Examples include a focus on recruiting EEA students, or emphasizing non-EEA exchanges, or “withdrawing” from an active non-EEA recruiting role**

**Region is poised to experience a number of changed recruiting dynamics**

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## OUTLOOK: A RESET OF SWEDEN'S RECRUITING POSITION

- **Tuition fees are a fact of life in many education systems, including leading systems such as the US, UK, Australia, Canada and New Zealand**
- **Education systems and institutions which proactively engage with changing tuition paradigms tend to fare better**
- **The implementation of tuition fees in Sweden is creating new policy issues as well as some unintended consequences. One example is the potential loss of PhD students (those who would transition from Master's to PhD programs)**
- **Sweden is at the early stages of a sustained change dynamic with regards to its international student recruitment position. In order to attract higher levels of non-EEA students, it will have to continue adjusting its engagement parameters ranging from scholarships, to marketing practices, to student services, to its admissions practices**

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