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How are higher education
systems in OECD countries
resourced? Evidence from
an OECD Policy Survey

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How are higher education systems in OECD countries resourced?

Evidence from an OECD Policy Survey

This paper presents key results and insights from the OECD Higher Education Policy Survey on Resourcing Higher Education, fielded in 2020.

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The OECD Higher Education Policy Survey (HEPS) is a new instrument developed by the OECD Higher Education Policy Team to gather comparative information on system features and characteristics of policies across OECD jurisdictions, to support policy analysis and peer learning. The first HEPS was fielded in 2020, to support the ongoing thematic project on Resourcing Higher Education. This paper presents a comparative analysis of the results of the survey, examining student support systems, institutional funding mechanisms, human resource policies and higher education resource governance across the 29 OECD jurisdictions responding to the survey.

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1. The Higher Education Policy Survey 2020

1.1. Context and background

As higher education enrolments in OECD countries increased in the last decades, higher education spending increased even more swiftly. Overall higher education budgets have expanded at more than double the rate of student enrolments between 2005 and 2016 (OECD, 2019^[1]). At the same time, real per student expenditures have also substantially risen (OECD, 2020^[2]), increasing from 9 924 USD PPP in 2005 to 16 421 USD PPP in 2017 on average across OECD countries.

The growing cost of higher education creates relentless pressure on public and household budgets. Increasingly, questions are raised about the sustainability of current expenditure trends, in a context where limited evidence exists about the effectiveness and efficiency of higher education. In addition, policy makers face difficult choices about how both financial and human resources should be mobilised, allocated and deployed in public and private tertiary education – choices that are likely to become even more difficult in the post-COVID world.

The Higher Education Policy Team's thematic project on Resourcing Higher Education explores the ways in which the organisation, funding and governance of higher education systems affect their overall effectiveness and efficiency. The objective of the project is to advise policy makers on how financial and human resources could be allocated, managed and used in higher education systems to improve performance in higher education. Providing this advice entails building knowledge on current higher education resourcing policy across the OECD. To support this objective, the Higher Education Policy Team developed a new web-based fixed-response survey methodology to collect structured policy data from across its membership, known as the Higher Education Policy Survey 2020 (HEPS 2020).

The aim of the HEPS 2020 was to collect detailed and comparable information about the design of financial and human resource policies in higher education systems, to help governments to more robustly compare the policies they have put in place with those of peers within the OECD. All data was collected from July to December 2020, and focused on four main policy domains in higher education: student funding, institutional funding, human resources and resource governance and co-ordination. Figure 1.1 presents the four thematic areas of the Higher Education Policy Survey, as well as their main sub-divisions.

The survey used internationally agreed definitions wherever possible, such as the definitions used in the annual UNESCO-OECD-EUROSTAT data collection and the International Standard Classification of Education (ISCED) 2011 manual. For example, the institution classification in the UNESCO-OECD Eurostat (UOE) manual (UNESCO-UIS, OECD, 2018^[3]), was used for defining public, private government-dependent and private independent institutions, and levels of education were defined according to ISCED 2011 definitions (UNESCO Institute for Statistics, 2012^[4]).

Figure 1.1. Survey modules and themes covered in the Higher Education Policy Survey 2020

Most higher education systems have a variety of higher education institutions, delivering programmes at different levels of study and in different fields. To take this important system feature into account, the HEPS 2020 allowed for differentiated responses by institution type (universities and professional higher education institutions). The HEPS 2020 also allowed for differentiated responses by jurisdiction, for federal systems in which higher education policy is a shared or devolved responsibility. Few countries used these features of the survey. However, where disaggregated information was provided, it is reflected in the tables provided in Section 5.

To minimise response burden and generate comparative evidence that permits sound international comparisons, the survey was designed in a fixed-response format. However, countries had the option to accompany each of their fixed-response answers with more detailed information, to enable the Higher Education Policy Team to contextualise and correctly interpret the information provided. These optional responses are referred to throughout this paper to provide additional clarifications, and are also listed in the notes underneath the data tables in Section 5.

1.2. Survey operation and reference period

The HEPS 2020 was developed in close consultation with OECD countries. Between November 2019 and March 2020, the Secretariat created and tested the HEPS 2020 instrument, sharing draft survey questions with national experts and critical friends. In June 2020, the Higher Education Policy Team opened the survey to OECD countries for completion, and jurisdictions responded during the second half of 2020. Table 1.1 shows the responding jurisdictions, and each survey module to which they responded.

Table 1.1. Responses to each survey module by responding jurisdictions

	Module A	Module B	Module C	Module D
Austria	x	Δ	x	x
Belgium (Flemish Community)	x	x	x	x
Belgium (French Community)	x	x	x	x
Canada	x	x	x	x
Chile	x	x	Δ	x
Czech Republic	x	x	x	x
Denmark	x	x	Δ	x
Estonia	x	x	x	Δ
Finland	x	Δ	x	x
France	x	x	x	x
Hungary	x	x	x	x
Italy	x	x	x	x
Ireland	x	x	x	x
Israel			x	
Japan	x	x	x	x
Latvia	x			
Lithuania	x	Δ	Δ	Δ
Luxembourg	x	x	x	x
Netherlands	x	x	x	x
New Zealand	x	x	x	x
Norway	x	x	x	x
Poland	x	x	x	x
Portugal	x	x	x	x
Slovak Republic	x	x	x	x
Slovenia	x	x	x	x
Sweden	x	x	x	x
Switzerland	x	x	x	x
Turkey	x	x	x	x
England (United Kingdom)	x	x	x	x

Note: Countries that provided disaggregated responses for universities and professional higher education institutions are shown with “Δ”. In Canada, a national-level survey response was assembled based on data collected from individual provinces.

In February 2021, the full provisional set of data from the HEPS 2020 was reviewed and validated by the responding OECD jurisdictions. Comments and requests for changes were taken into account following the review period. In addition, some respondents were directly contacted by the Higher Education Policy Team when small additional clarifications were required. Following a period of data validation, the datasets were finalised.

In total, 29 OECD jurisdictions responded to at least one of the survey modules, and 27 jurisdictions completed the entire survey. This paper presents a detailed summary of the results of the survey, providing for the first time a comparative overview of the main features of the policy environment for resourcing higher education systems in the majority of OECD countries. The Secretariat has also incorporated the validated survey results in the outputs of the Resourcing Higher Education project, and other analytical outputs.

2. Supporting learners

This section focuses on resourcing policy related to directly supporting learners to access and complete higher education study. It examines policy relating to student tuition fees, student financial supports, (including grants, loan and other form of financial supports), and support for lifelong learning.

2.1. Setting and paying tuition fees

Tuition fees – the money that students pay to higher education institutions for their instruction and other services – are fundamental revenue sources for educational institutions, alongside public spending from governments and other public bodies. The relative shares of public and private contributions for higher education strongly vary across countries; while in most countries governments assume the majority share of the education cost, in other cases governments subsidise the cost of higher education only to a limited extent. However, regardless of how expenditure is apportioned between public and private sources, in a majority of cases across OECD jurisdictions the level of tuition fees set by institutions is subject to government-imposed limits (Figure 2.1).

Figure 2.1. Locus of authority to establish tuition fees

Number of responding jurisdictions with each type of arrangement

Notes: Total jurisdictions responding: 27 for Masters and Bachelors programmes, 19 for short-cycle programmes (excluding Austria, Czech Republic, Estonia, Finland, Italy, Norway, Slovak Republic, and Switzerland).

Data for individual jurisdictions are provided in Annex Table 5.1.

In most jurisdictions some tuition fees are charged, though the amount of tuition fees varies substantially (OECD, 2020_[2]). In general, as shown in Figure 2.1, institutions have somewhat more freedom to set their own fees at the Masters level than for Bachelor or short-cycle programmes. Institutions also have more freedom to charge fees for specific activities or particular types of programmes. For example, institutions may be allowed to charge fees for student services or to meet particular administrative costs. Thus, the extent

to which students contribute to the costs of higher education provision depends on many factors, which may include their own status, the legal status of the higher education institution they are attending, and the type of programme in which they are enrolled.

The majority of jurisdictions responding to the survey (17 out of 27) reported allowing institutions to charge higher tuition fees for foreign students not covered by international or bilateral agreements (e.g. students from European countries who benefit from the same fee policies as domestic students). Higher education institutions in some jurisdictions may also charge higher fees compared to the generally established tuition fees amount when students are enrolled beyond the theoretical duration of their programmes, or when they are enrolled in programmes taught in another language. Three OECD countries also indicated that higher fees may in some cases be charged to students enrolled in fully online or blended programmes.

Figure 2.2. Student categories subject to higher tuition fees in OECD jurisdictions

Number of responding jurisdictions allowing higher fees for each student category

Notes: Total jurisdictions responding = 27.

For Austria and Lithuania, results provided in the chart only apply to public institutions.

Data for individual jurisdictions are provided in Annex Table 5.1.

Tuition fees may also vary according to the intensity of study. Tuition fees for part-time study were reported to be directly proportional to full-time tuition fees in about half of the responding jurisdictions, although it should be noted that one-third of the responding jurisdictions indicated that no defined part-time study options exist in their jurisdiction. In three countries (Luxembourg, Poland and Slovak Republic) part-time tuition fees may be proportionately higher than full-time fees. For example, Luxembourg charges the same tuition fees to both part-time and full-time students. Two OECD jurisdictions (England (United Kingdom) and Italy) reported charging a lower amount of tuition fees for part-time studies compared to full-time ones.

In most responding jurisdictions, tuition waivers for specific groups of students are included as part of the student financial support system (in 24 out of the 27 jurisdictions). In most cases, as shown in Figure 2.3, higher education institutions are authorised to autonomously waive tuition fees (in 17 of the responding jurisdictions). For example, in Japan, each public university takes individual responsibility for determining the targeted students for reduction or waivers. In a small number of OECD jurisdictions (Hungary, Italy and Turkey), public authorities primarily decide on the conditions for tuition fee waivers.

Figure 2.3. Locus of authority to waive tuition fees

Share of responding jurisdictions allowing each type of authorisation

Notes: Total jurisdictions responding = 24.

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

For Canada, depending on the province, the option “Institutions, with guidelines established by public authorities” could be chosen the most correct response.

For Japan, results provided in the chart only apply to public (only national) higher education institutions.

For Austria results provided in the chart only apply to public institutions.

Data for individual jurisdictions are provided in Annex Table 5.1.

Tuition fees can be waived for diverse reasons across OECD jurisdictions. Most respondents (16 jurisdictions) reported that tuition fees are generally waived for disadvantaged population groups. Tuition fees may also be waived for students from a low-income family, as in the case in 14 of the responding jurisdictions. A large share of responding jurisdictions also permit tuition fees to be waived if students have demonstrated academic merit (11 jurisdictions). In eight OECD jurisdictions (Canada, Czech Republic, Estonia, France, Italy, Luxembourg, New Zealand and Norway) tuition fees waivers are in place for students enrolled in particular programmes of study (Figure 2.4).

Other types of waivers are also possible, though applied less commonly or to smaller numbers of students. For example, in Ireland, institutions may award scholarships and/or waive tuition fees for talented athletes. As another example, in the Czech Republic students may be awarded waivers in the case of childcare or health issues, or when they prolong their study following a period of international mobility.

Figure 2.4. Student groups for which tuition fees can be waived

Number of responding jurisdictions providing waivers for each student group

Notes: Total OECD jurisdictions responding = 24.

For Austria and Finland, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.1.

2.2. Providing financial support to students

Despite progress in recent decades, evidence indicates that a number of participation gaps persist in higher education systems across the OECD, according to gender, nationality and socio-economic status (OECD, 2018^[5]). A well-designed and well-resourced student support programme can support the policy goals of equity and inclusion in higher education systems. This section discusses the grant and loan supports available to students across the responding jurisdictions, as well as other measures in place to support learners in accessing higher education.

2.2.1. Availability and organisation of grant support for students

The survey results indicate a strong emphasis in higher education policies on student financial supports. All responding jurisdictions offer at least one publicly funded grant programme to provide financial support to students in higher education. Furthermore, 23 jurisdictions allow students to receive grant support from different grant programmes or grant types simultaneously. As an example, students in Belgium (French Community) may receive grant supports from European, federal, provincial, Community and/or local grant programmes.

Means-tested grants are the most common type of student grant scheme, although some countries offer universal grants, merit-based grants or grants based upon membership of a disadvantaged population group. Some jurisdictions may also allow students to avail of a number of these grant types simultaneously. For example, Lithuania provides study grants to cover tuition fees that can be used by private higher education institutions, social grants for disadvantaged students, and specific grants for talented and high-achieving students, and students may qualify simultaneously for each of these.

On average, and as shown in Figure 2.5, various types of grant funding are more often available for students enrolling in bachelor-level (ISCED 6) programmes, compared to short-cycle ones. In particular, full-time bachelor's students are entitled to grant funding in all 28 of the responding jurisdictions, while grant funding is available for short-cycle programmes in eight jurisdictions (Table 2.1). This may be at least partially explained by the fact that many jurisdictions do not have defined short-cycle programmes in their national systems (for example, Czech Republic, Estonia, Finland, Germany and Lithuania (OECD, 2020_[2])).

As Table 2.1 shows, student grant supports are focused principally on traditional full-time programmes, rather than alternative modes of study such as part-time programmes, hybrid programmes that combine both online and campus-based education, and fully online programmes. This can be a cause for concern in a context where higher education systems are increasingly expected by both students and governments to provide more flexibility in their offer. Before the onset of the Covid-19 pandemic, fully online programmes at short-cycle and bachelor level were still relatively rare across the OECD. However, short-duration, part-time, online and blended learning options are becoming more commonplace, in many cases accelerated by the pandemic. Yet, students in part-time and blended learning courses appear to have much more limited options for financial assistance than do students in full-time programmes, across all higher education levels.

Some countries, such as Finland, do not make a distinction between full-time and part-time studies when providing student financial aid. In other countries, such as Belgium (Flemish Community) or Luxembourg, while financial support for learners enrolled in fully online programmes is theoretically possible, the offer of blended learning or fully online programmes was limited or non-existent, at least before the onset of the Covid-19 pandemic.

Figure 2.5. Types of grant supports available, by ISCED level of the study programme

Number of responding jurisdictions with each type of grant support

Notes: Total jurisdictions responding = 28.

Data for individual jurisdictions are provided in Annex Table 5.2.

Table 2.1. Eligibility for grant supports, by type of study programme

Number of responding jurisdictions where students are eligible for grants on each type of programme

	Full-time	Part-time	Blended learning	Fully online
Short programmes lasting less than two years (for example, certificate programmes)	8	4	4	5
Short-cycle programmes (ISCED 5)	19	10	11	9
Bachelor's programmes (ISCED 6)	28	16	17	15
Master's programmes and equivalent (ISCED 7)	24	14	13	12

Note: Total jurisdictions responding = 28

Students in public institutions are more often eligible to receive grant supports than those in private institutions (Figure 2.6). This may be explained by the fact that in many jurisdictions public authorities are reluctant to extend student grant benefits to private institutions that are not subjected to the same accountability or quality assurance processes as public institutions. In particular, students in private institutions operating on a for-profit basis are much less likely to qualify for grant supports across the responding jurisdictions – only 13 of the 28 responding jurisdictions reported that students in for-profit institutions are allowed to avail of grants.

Figure 2.6. Students' eligibility for grant supports according to institution legal status

Number of responding jurisdictions allowing grants for each institution type

Notes: Total jurisdictions responding = 28.

Data for individual jurisdictions are provided in Annex Table.

Providing comprehensive grant support, covering both tuition and living expenses, can create a more equitable higher education system and provide students with low income the opportunity to enrol in higher education outside of their immediate local area. In about half of the responding jurisdictions, grant programmes are designed to cover all types of costs, including both tuition fees and living expenses. Among the 26 jurisdictions responding to this survey question, only Chile and Hungary indicated that they have implemented grant programmes designed to cover tuition fees only (Figure 2.7). Another group of 11 jurisdictions provide grant support for living expenses only, including some countries where tuition fees are relatively low, or not generally charged to students.

Figure 2.7. Costs covered by the main grant programmes in responding jurisdictions

Number of responding jurisdictions covering each cost category.

Notes: Total jurisdictions responding = 26.

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

Data for individual jurisdictions are provided in Annex Table 5.2.

All OECD jurisdictions responding to the survey indicated a maximum duration period for which students may benefit from grant supports, to incentivise students towards timely completion of studies. The most common arrangement for grant supports (for 16 of the 28 responding jurisdictions) is to provide grant support for one programme at each level of study (Figure 2.8).

Figure 2.8. Maximum duration of the main grant programme provided by public authorities

Number of responding jurisdictions with each duration

Note: Total jurisdictions responding = 28.

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

In addition, some countries provide grant supports only for a fixed amount of time. Norway and Sweden are examples of this model, providing financial supports to students for a maximum duration period of 8 years and 12 semesters (6 academic years) respectively.

2.2.2. Loan support characteristics

Loan supports provide a means for students to finance the cost of their own higher education without an upfront payment. They are a common means of resourcing higher education in OECD countries. Among the 28 OECD jurisdictions responding to this module of the survey, some form of loan supports are available for students in 23 of them (excluding Austria, Belgium (Flemish Community), Czech Republic, Ireland and Slovenia). At the same time, the extent to which students take up loan supports varies substantially among jurisdictions, depending on the availability of other sources of funding to them.

Student loans are provided through public loan funds in 15 jurisdictions, and through commercial banks in 11 jurisdictions. In some countries, such as in Denmark, state loans are only available for students who are entitled to a state grant. Among the 23 jurisdictions that provide public loans, 22 jurisdictions offer students a package that combines both grants and loans. While these 22 jurisdictions allow grant-aided students to also receive a public loan to cover tuition fees or living costs, nine of them make adjustments to the loan amounts available to students to take into account their grant aid entitlements.

In most jurisdictions (17 jurisdictions in total), student loan eligibility and amounts are not linked to either family or student income, while the six remaining jurisdictions have loan programmes explicitly targeted at students from low-income backgrounds. The target group of students for loans also can depend on the available financial resources and the number of loan applicants. For example, in the Slovak Republic, if the available education support fund does not have sufficient resources to provide loans to all eligible students who have applied for a loan, priority is given to students who meet certain socio-economic conditions.

As was the case with grant supports, loan supports are mainly focused on traditional, full-time programmes. Table 2.2 shows the breakdown of loan eligibility by programme level for tuition fees only (very similar results are observed for loans covering living expenses). As was also the case with student grant supports, students in public institutions are more often eligible to receive loan supports than students attending private institutions (Figure 2.9). Loan supports are available in 14 of the 23 responding jurisdictions for students attending both government-dependent and independent for-profit institutions.

Table 2.2. Eligibility for loan supports to pay tuition fees, by type of study programme

Number of responding jurisdictions with loan supports for each type of programme

	Full-time	Part-time	Blended learning	Fully online
Short programmes lasting less than two years (for example, certificate programmes)	8	7	6	5
Short-cycle programmes (ISCED 5)	15	10	10	8
Bachelor's programmes (ISCED 6)	21	17	16	13
Master's programmes and equivalent (ISCED 7)	20	15	15	13

Note: Total jurisdictions responding = 23

Figure 2.9. Students' eligibility for loans according to institution legal status

Number of responding jurisdictions allowing loans for each type of institution

Note: Total jurisdictions responding = 23.

OECD jurisdictions have a wide range of policies regarding the maximum amount a student can borrow through public loans (Figure 2.10). The most common policy in place allows students to borrow up to a statutory upper limit, set independently of study costs. Italy is the only country that allows students to borrow up to the limit of their tuition costs, and only two countries (Norway and the Slovak Republic) have no statutory maximum loan amount.

Figure 2.10. Statutory student loan amount limits in responding jurisdictions

Number of responding jurisdictions with each type of limit in place

Notes: Total jurisdictions responding = 23.

Belgium (WAL) refers to the French community of Belgium.

In Canada, there are also examples of loan programmes where “students may borrow up to the limit of their tuition costs and a fixed amount for their living expenses” and “students may borrow up to a statutory upper limit, set independently of cost of study”.

Details at the country-level are provided in Annex Table 5.3.

Across the 23 responding OECD jurisdictions indicating the existence of a public loan programme, more than half (13 jurisdictions) allow interest to be charged on the loan amount while students are still enrolled in their programmes of study, although maximum limits are set for the rate. For example, in Luxembourg, the interest rate cannot exceed 2% and it is usually set at 4% in Belgium (French Community).

A variety of loan repayment structures are also in place across OECD countries for public student loans. A fixed-repayment schedule, which entails the repayment of a fixed amount of money per month for a certain number of years, is the most common type of loan repayment system, operated in 16 of the responding jurisdictions. However, even among the countries with fixed-repayment schedules in place, loan repayments can be deferred or revised due to changes in personal circumstances for the majority of cases (Figure 2.11).

To avoid financial difficulties for graduates in case of unemployment or disability, some jurisdictions allow a more flexible repayment system known as the income-contingent repayment schedule, where the level of monthly repayments depend on the borrower’s income level after graduation. In countries with an income-contingent loans repayment schedule (comprising five of the responding jurisdictions including Chile, England (United Kingdom), Hungary, Netherlands and New Zealand), post-graduation income levels (and, thus, the size of the loan repayments) are established based on the income or tax administrative record of the graduate.

Figure 2.11. Repayment scheme for the main public loan system in responding jurisdictions

Number of responding jurisdictions with each repayment scheme

Notes: Total jurisdictions responding = 23.

Data for individual jurisdictions are provided in Annex Table 5.3.

Overall, in 20 of the 23 responding countries, the borrowers themselves assume primary responsibility for repayment to the loan provider. For the remaining jurisdictions, repayments are made through the tax system. In some special circumstances, particularly in cases of death or permanent disability, loans may be totally or partially forgiven. In other circumstances where the borrower runs into difficulties, countries may allow for a period of suspension of loan repayments. In Poland, for example, loan repayment may be suspended for a period of 12 months in the event of a difficult life situation. Depending on the jurisdiction, there is a diverse range of additional circumstances under which loan forgiveness may be provided (Figure 2.12).

Figure 2.12. Circumstances allowing for loan forgiveness

Number of responding jurisdictions allowing loan forgiveness, according to type of circumstance

Notes: Total jurisdictions responding = 23.

Data for individual jurisdictions are provided in Annex Table 5.3.

2.2.3. Other financial supports for learners

Beyond direct student financial support in the form of grants or loans, governments often have policies in place that can provide additional or more indirect forms of assistance to learners accessing higher education. For example, family benefits for families with dependent children enrolled in higher education exist in 21 out of 28 OECD jurisdictions responding to the survey. Differences exist between jurisdictions on the specific characteristics of family benefit policies. They may be an extension of universal benefits available to all families with children, if the children continue from school to higher education. For example, in Poland, family supports form part of the general family benefits; no specific financial benefits are in place for families with students enrolled in higher education.

Conversely, specific benefits may be designed for higher education learners only, as is the case in six responding jurisdictions (Figure 2.13). For example, in Denmark extra grant funding is provided if higher education students become parents and live with someone who also receives grant supports, or if they are single parents. There are also additional grants for students with disabilities.

Figure 2.13. Existence of specific and standard family benefits for students

Number of responding jurisdictions with each type of benefit

Note: Total jurisdictions responding = 28.

Other forms of support include providing tax relief on household expenditure on higher education, or providing incentives to save towards meeting the costs of higher education. Tax benefits are available on the payment of instructional expenses in 11 of the 28 responding OECD jurisdictions) and seven of these jurisdictions also allow tax deductions for the payment of living expenses or other ancillary costs. Just five responding OECD jurisdictions (Canada, Italy, Japan, Latvia and Lithuania) report providing incentives to save towards meeting the costs of higher education. These incentives primarily take the form of tax reductions on contributions to dedicated higher education savings instruments (in place in four of these countries), while matching of contributions to dedicated higher education savings instruments was reported only by Canada.

2.3. Specific supports for lifelong learners and flexible provision

In a rapidly changing labour market and society, “jobs for life” are diminishing across the OECD. Career changes are more commonplace, and today's higher education graduates are likely to have more dynamic careers than their predecessors (OECD, 2019^[6]). There is a growing policy emphasis on provision of effective lifelong learning offerings as a means of ensuring that the population has access to learning, upskilling and reskilling opportunities throughout their careers.

Governments can support lifelong learning by ensuring that learners have reasonable access to educational opportunities throughout their lives. In most of the jurisdictions, no age limit exists for learners to receive grant support for higher education studies. An age limit exists in just seven jurisdictions, beyond which learners are no longer eligible for grant support, though the ceiling varies substantially among them. In four of the countries with an age limit (France (for a first grant application only), Netherlands, Slovenia and Turkey) the limit is set at age 35 or younger. In Switzerland, the decision to apply an age limit can be taken at the canton level, but the limit set cannot be under 35 years old. Age limits on eligibility also exist for student loan supports in 10 of the responding countries: England (United Kingdom), France, Hungary, Italy, Netherlands, New Zealand, Norway, Poland, Sweden and Turkey.

Beyond the extension of standard grant and loan supports to a broad range of learners, public policies exist in many countries that are targeted to support lifelong learners to access higher education. For example, in the majority of jurisdictions (23) responding to the survey, adults who have previously received student financial support for a higher education qualification can, under certain conditions, receive student financial support again if they re-enter higher education. In 20 jurisdictions adults can qualify for financial support if they are entering a programme leading to a more advanced higher education qualification. In 10 jurisdictions adults qualify for financial support if they become unemployed, and in nine jurisdictions if they re-enter to take a qualification in a designated field of study (Figure 2.14). In Belgium (Flemish Community), for example, unemployed adults can retain their benefits on re-entry into higher education for specific higher education programmes, such as nursery and teacher education.

Figure 2.14. Availability of targeted financial supports for re-entry into higher education

Number of responding jurisdictions, according to each condition for support

Notes: Total responding jurisdictions: 28.

Student loans are the most common type of financial support available for adult learners to meet the costs of higher education upskilling and reskilling programmes, followed closely by grants and social benefit payments (Figure 2.15). Individual learning accounts are rarely available to meet higher education study costs: only one responding jurisdiction, the Netherlands, indicated the existence of such a measure. In Norway, students are entitled to financial support for eight years of study, and may apply financial support to a second qualification within that time limit. In Belgium (French Community), adult learners may ask for help from the CPAS (a public social welfare centre that provides a number of social services), if their studies lead to specific fields where there is a need for skilled professionals.

Figure 2.15. Financial supports for lifelong learners, by type of support

Number of responding jurisdictions with each type of support

Note: Total jurisdictions responding = 28.

Adults engaged in lifelong learning are likely to have a range of work and personal commitments that restrict full-time study. Survey evidence indicates that public financial support for part-time and other forms of flexible study are much more limited than those available for full-time study (see Table 2.1 and Table 2.2 above). However, the survey also shows that some public policies may implicitly, if not explicitly, support flexible provision of higher education. In total, just eight of the responding jurisdictions reported the existence of established restrictions on the offer of online learning that public and government-dependent private institutions may offer (Hungary, Italy, Japan, Lithuania, New Zealand, Norway, Poland, and Turkey).

Lifelong learning can also be supported by ensuring that higher education systems are as permeable as possible, allowing learning and qualifications acquired in one institution to be transferred to and recognised by others, where relevant. In most OECD jurisdictions (25) students may transfer credits earned in one institution to count towards a qualification in another institution, either within or between institutional sectors, at the discretion of institutions.

Only seven countries (Finland, Italy, Portugal, Poland, Sweden, Hungary and Norway) report that institutions are required to provide academic credit for study units completed in other institutions of the same sector/type (Table 2.3). Policies supporting guaranteed progression of students from one level of education to another are slightly more commonplace – 11 jurisdictions report that transfers are guaranteed for students progressing from one level of education to another between institutions of the same type, subject to compatibility of field of study.

Finally, most responding OECD jurisdictions have policies that can support students who have previously earned academic credits but did not complete programmes of study. Such policies recommend or require that institutions award credit for previous, uncompleted programmes in either closely related fields (10 jurisdictions) or irrespective of the field of study (12 jurisdictions) (Figure 2.16).

Table 2.3. Available transfer pathways for students within higher education systems, subject to compatibility of field of study

Number of responding jurisdictions with each transfer pathway

	Which transfer pathways are provided for in policy frameworks in your jurisdiction?	
	Between institutions of the same sector/ type	Between institutions of different sector/ type
Transfers are guaranteed for students progressing from one level of education to another	11	7
Students may transfer credits earned in one institution to count towards a qualification in another institution of the same type, at institution discretion	25	22
Institutions are required to provide academic credit for study units completed in other institutions	7	13

Note: Total responding jurisdictions = 27.

Figure 2.16. Existence of policies allowing students to apply academic credits earned in uncompleted study programmes towards a new higher education qualification

Number of responding jurisdictions with each policy

Note: Total responding jurisdictions = 26.

Only four countries (Luxembourg, Poland, Chile and France) report no systemic policies with respect to the award of academic credits earned in previously uncompleted study programmes. However, even if no systemic policies are in place, many governments permit the development of such policies at institution level. For example, in Luxembourg the government permits the recognition of prior learning, but this does not make it mandatory, does not produce any official guidelines for its application.

3. Human resource management

This section provides an overview of the evidence from the HEPS 2020 on the regulation of human resource management, staff contracts and conditions of employment in higher education systems across the OECD.

3.1. Regulation of human resource policies and procedures in higher education institutions

Higher education institutions regularly recruit and select academic and non-academic staff members. Like other employers, they are expected to follow a hiring process that includes effective, fair and transparent rules regarding the profile and the number of those they hire. In many OECD jurisdictions, various aspects of higher education institutional hiring processes for academic staff, such as recruitment procedures, specification of qualification requirements and language requirements, are regulated by the legislation governing public sector employment, or by legislation specific to the hiring of academic staff (Figure 3.1).

In total, 18 OECD jurisdictions have specific laws governing qualification requirements for the hiring of academic staff, while 12 jurisdictions have specific laws related to the academic staff recruitment process. In general, across all types of requirements, fewer jurisdictions develop regulations for hiring academic staff based on collective bargaining agreements.

Figure 3.1. Regulation of hiring requirements for academic staff in responding jurisdictions

Number of responding jurisdictions by type of requirement and means of regulation

Note: Total OECD jurisdictions responding = 28.

For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Details for government-dependent private institutions are provided in Annex Table 5.5. Data for individual jurisdictions are provided in Annex Table 5.4

Public policies may also govern other aspects of the academic staff recruitment process. For example, stipulations that the recruitment of academic staff to new or vacant positions must be opened to external candidates exist in all but seven of the responding jurisdictions: (Chile, England (United Kingdom), Finland, Japan, Ireland, Israel and New Zealand). At the same time, measures specifically targeted at reducing academic inbreeding are relatively rare. Among jurisdictions responding to the survey, only Austria, Italy and Luxembourg prohibit higher education institutions from hiring PhDs they have trained for a specific period of time (Figure 3.2), and in Austria, this restriction only applies to its Institutes of Science and Technology.

In some countries, higher education institutions may choose to first open academic staff vacancies to internal candidates only before opening a vacant position to external candidates. In Chilean public higher education institutions, individuals already employed by an institution have priority in applying for vacant or new positions in the same institution. In Denmark, the rector may offer an internal candidate a position at professor or associate professor level without advertising the position if they are particularly well qualified for the position and are found in an academic assessment to be clearly better qualified than any others who might be considered for the position if it were advertised externally.

Figure 3.2. Restrictions in place for staff vacancies in higher education institutions

Number of responding jurisdictions with each measure in place

Note: Total OECD jurisdictions responding = 28.

For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.7.

The autonomy of higher education institutions to make staffing decisions varies widely. In 10 of the responding jurisdictions, public and government-dependent private funded institutions need authorisation from public authorities to create and fill new staff positions. In France, for example, the recruitment of university professors in some fields requires the

authorisation of the Ministry. Conversely, in England (United Kingdom), universities are legally autonomous institutions and are free to make their own decisions regarding recruitment.

Among the responding jurisdictions, only eight allow academic staff to be promoted to a higher grade without competing against other candidates (Finland, Poland, Ireland, Slovenia, Czech Republic, Norway, Netherlands and Israel). For example, Finland allows those on tenure track positions to be promoted without competing in each promotion stage if they meet pre-defined criteria and pass evaluations.

The survey results also show that collective bargaining is the most important means of establishing some terms and conditions of employment, namely salaries, salary bands, benefits and the responsibilities and workload of staff (Figure 3.3).

Figure 3.3. Requirements related to terms and conditions of employment for academic staff by legal framework and collective bargaining arrangements

Number of responding jurisdictions for each type of requirement and means of regulation

Note: Total OECD jurisdictions responding = 28.

For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Details for government-dependent private institutions are provided in Annex Table 5.5. Data for individual jurisdictions are provided in Annex Table 5.4.

Higher education institutions are composed of academic staff members of different gender, age, nationality, religion, ethnicity, experience, cultural backgrounds, physical abilities and sexual orientation. A diverse academic workforce can benefit students and contribute to the richness of the teaching and learning environment. In a majority of responding jurisdictions, labour laws exist that aim to ensure the representativeness of the workforce of institutions, especially for public sector employment (Figure 3.4). Collective bargaining agreements - relatively prominent with respect to salary, duties, and workload - are rarely used as a means to agree standards regarding staff equity and representativeness issues. Indeed, only Canada reported the use of collective bargaining agreements to set requirements for equal opportunities, and only Canada, Japan and Norway report using collective bargaining to set requirements concerning gender balance.

Many OECD jurisdictions use public service or higher education specific labour laws to set policies concerning structured evaluation and promotion processes and continuous

professional development. The existence of collective bargaining agreements is also relatively common across OECD jurisdictions for issues related to performance and professional development, as can be seen in Figure 3.5.

Figure 3.4. Requirements related to academic staff profiles in OECD jurisdictions

Number of responding jurisdictions with each type of requirement and means of regulation

Note: Total OECD jurisdictions responding = 28.

For Japan, results provided in the chart only apply to public (only national) higher education institutions. For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Details for government-dependent private institutions are provided in Annex Table 5.5. Data for individual jurisdictions are provided in Annex Table 5.4.

Figure 3.5. Requirements related to staff performance and career advancement

Number of responding jurisdictions with each means of regulation, for each aspect of staff performance,

Note: Total OECD jurisdictions responding = 28.

For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Details for government-dependent private institutions are provided in Annex in the Table 5.5. Data for individual jurisdictions are provided in Annex Table 5.4.

Across OECD jurisdictions, many aspects of staff performance appraisal have standards or principles specified in regulations, quality assurance and accreditation or sector agreements (Figure 3.6). Many more jurisdictions set standards concerning performance in research and teaching than performance in “third mission” activities, such as activities involving civic, commercial, regional and social engagement. Where standards or principles exist, there is commonly an explicit link between performance appraisal results and pay increases. In 11 responding jurisdictions with standards in place for performance appraisal, the results of appraisals are tied to pay increases, while in 15 jurisdictions there is a link between the results of performance appraisal and career progression.

Figure 3.6. Specified standards and principles in staff performance appraisal

Number of responding jurisdictions for each area of performance and source of standards/principles

Note: Total OECD jurisdictions responding = 28.

For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.7.

The age profile of academic staff members varies across jurisdictions, due in part to economic, demographic and social factors, and the tempo of higher education expansion. However, policies related to retirement age may also affect the age profile of academic staff. Most responding jurisdictions (14) reported that public policies are in place to regulate the retirement age of academic staff – most often through public sector employment legislation (Figure 3.7). Similarly, academic staff pension rights are commonly (in 16 jurisdictions) regulated under the legal framework for public sector employment.

It should be noted, however, that countries may provide for exceptions to general legal provisions with respect to retirement age. In the Slovak Republic, for example, it is possible to create a contract for an academic staff position with someone aged over 70 years old for the duration of 1 year, and this contract can be renewed each year.

Figure 3.7. Regulation of retirement pension rights and retirement age

Number of responding jurisdictions using each framework for regulation

Notes: Total OECD jurisdictions responding = 28.

For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Details for government-dependent private institutions are provided in Annex Table 5.5. Data for individual jurisdictions are provided in Annex Table 5.4.

3.2. Staff contracts and conditions of employment

Many forms of employment contracts are used to employ staff in OECD jurisdictions, ranging from fixed-term contracts to civil servant status and tenure arrangements (Figure 3.8). Among responding OECD jurisdictions, the largest number report using fixed-term contracts for the employment of academic staff. However, a wide range of additional conditions may be linked to fixed-term employment contracts. For example, Finland prohibits the use of consecutive fixed-term contracts when the amount or the total duration of the contracts indicates a permanent need of labour. In Norway, the use of fixed-term contracts depends on the position: while permanent employment contracts are the rule, some specific functions (including rectors and directors) or some specific fields allow for fixed-term contracts.

About half of responding jurisdictions reported that some academic staff members have a specific public or civil servant contract, while in eight jurisdictions there are academic staff with general civil servant status. However, this employment model has been discontinued for new entrants in some jurisdictions, such as Austria.

For non-academic staff positions, the use of open-ended contracts seems to be significantly more common than for academic staff, which can be balanced against the more ready availability of tenure-type positions for academic staff (Figure 3.8).

Most OECD jurisdictions limit the total duration for which a staff member (either academic or non-academic) can be employed on temporary, fixed-term or hourly contracts. This limitation is typically set in general employment legislation, though in a few cases, the limitation is set by collective bargaining and agreements made within the higher education sector (sector agreements). Only four jurisdictions do not establish a maximum duration

for fixed-term contracts in the employment of academic staff (Canada, Czech Republic, England (United Kingdom) and Lithuania).

Figure 3.8. Types of employment contracts in use for academic and non-academic staff in OECD jurisdictions.

Number of responding jurisdictions using each form of employment contract

Notes: Total OECD jurisdictions responding = 28.

For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.6.

In some OECD jurisdictions, the share of academic staff in temporary positions can be restricted (Figure 3.9). In more than half (17) of reporting jurisdictions, the share of academic staff in fixed-term positions is limited by quality assurance and accreditation rules (11 jurisdictions) by public authorities (Italy, Portugal, Belgium (French Community) and Canada), or by collective bargaining (Canada and Netherlands).

Figure 3.9. Regulations in place with respect to staff on temporary contracts

Number of responding jurisdictions using each regulatory mechanism

Notes: Total OECD jurisdictions responding = 28.

For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.6.

Academic staff working conditions may be importantly shaped by standards that set permissible student/staff ratios. The student-staff ratio, generally measured using full-time equivalent enrolments, is sometimes used as a proxy for quality in higher education on the assumption that fewer students per teacher permit academic staff members have devote more time to student learning needs. The results of the survey indicate that only a few OECD jurisdictions responding to the survey restrict staff-to-student ratios through government regulations or programme approval, quality assurance or accreditation rules (Figure 3.10). Only Canada, Italy, Israel, Japan, Norway, Portugal and Turkey apply either government regulation, programme approval or both to limit student-staff ratios.

Even if student-staff ratios are not numerically limited, restrictions can still apply that require institutions to ensure an appropriate balance of students to staff. These can be related to more general requirements, such as in New Zealand, where quality assurance rules require institutions to demonstrate that they have suitable capabilities to meet quality standards, although these rules are not prescriptive about how institutions achieve this. In Ireland, health and safety guidelines exist for numbers of students in laboratories and workshop environments. Because instructional quality (or, efficiency) may require instructional cohorts of sufficient size, minimum student-staff ratios may also be set for certain fields of study, as in Canada and Portugal. In the Czech Republic, while no explicit thresholds are defined, staff-to-student ratio is subject to evaluation in the accreditation process.

Figure 3.10. Mechanisms for the regulation of the student-staff ratio in higher education institutions

Number of responding jurisdictions using each regulatory mechanism

Notes: Total OECD jurisdictions responding = 28.

For Japan, results provided in the chart only apply to public (only national) higher education institutions.

For Chile, Denmark and Lithuania, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.7.

4. Funding and financial regulation of higher education institutions

This section examines the allocation of public funds to higher education institutions, with a particular focus on how the allocation of core public funding to institutions is determined. It also analyses the level of financial autonomy and responsibility of institutions, exploring how much autonomy institutions have to augment and use allocated funds, their ability to borrow money and their ownership or land of buildings.

4.1. Allocating funding to higher education institutions

4.1.1. Mechanisms for the allocation of core public funds to higher education institutions

OECD jurisdictions responding to the policy survey adopted different approaches to allocate core public funding in support of day-to-day operations in public or government-dependent private higher education institutions (see Figure 4.1). The most common mechanism used to allocate core public funding is a block grant that is distributed to institutions to cover several categories of expenditure (including teaching, overhead costs and in some cases research). Overall, 26 of 27 responding jurisdictions reported that the block grant constitutes the main funding allocation mechanism for institutions.

Figure 4.1. Mechanisms for allocating core public funding in responding jurisdictions

Share of responding jurisdictions using each mechanism

Note: Total OECD jurisdictions responding = 27.

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

For Japan, results provided in the chart only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology and post-secondary courses of specialised training colleges).

For Austria, results provided in the chart only apply to public institutions.

Within the group of institutions that allocate public funding using a block grant, 12 require institutions to allocate portions of the block grant across broad funding categories, while another 12 permit funds to be allocated without restriction. Line-item budgeting, which imposes strict limits on the capacity of institutions to allocate funds, is now rarely used: Chile was the only jurisdiction to report that public funding for higher education institutions is allocated through individual line items in the public budget.

The survey shows variation in the way that core public research funding is allocated. For example, in almost half of the responding jurisdictions, research is included in a specific core public funding allocation mechanism, distinct from allocations for instruction and other operating expenses. In a small number of jurisdictions (Portugal, Slovenia, Chile and Canada), all core public funding for research is allocated based on competitive processes (Figure 4.2). Across Canada, all of the mechanisms presented in Figure 4.2 may apply in different circumstances, depending on the province.

Figure 4.2. Mechanisms for allocating core public research funding

Responding jurisdictions using each allocation mechanism

- All public funds for research activity are allocated through competitive research funding programmes
- Core public funding for research is provided through a single core public funding allocation
- Core public funding for research is provided by a specific core funding allocation for research, distinct from allocations for instruction and other operating expenses

Notes: Total OECD jurisdictions responding = 27.

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

For Japan, results provided in the chart only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology and post-secondary courses of specialised training colleges).

For Austria, results provided in the chart only apply to public institutions.

Deciding on the appropriate duration for core public funding entails taking into account many considerations. While an annual funding cycle allows governments to react quickly in response to unpredicted increases in demand, multi-year funding allows institutions to plan their budget and operations with greater stability and certainty than annual funding permits. Most OECD jurisdictions provide core public funding on an annual basis (21 of 27 respondents), although a small number of jurisdictions participating in the survey operate multi-year funding schemes (including Austria, Chile, Denmark, Italy, Luxembourg and Slovenia).

While core public funding for operating expenses is generally provided every year, competitive research funding can have a longer allocation period, to support stable funding for research projects spanning multiple years. For example, Portugal and Turkey apply a longer grant allocation period for core public funding for research than core public funding for instruction and operational expenses.

Most institutions in the responding jurisdictions are allowed to generate and carry forward surplus funding to the following year, although restrictions may apply. In two-thirds of OECD responding jurisdictions, institutions can carry forward any surplus of public funding without restrictions from one fiscal period to the next. Less commonly, institutions can carry forward a surplus if it is designated to a specific item (Canada, Chile, England (United Kingdom) and Hungary), or up to a maximum limit (Italy and Portugal). Overall, only three OECD countries have a complete prohibition on institutions to carry forward their surplus (Lithuania, Slovenia and Turkey). In the Czech Republic only core public funding for research may not be carried forward.

The results of the survey show that the level of core public funding allocated to higher education institutions is determined through three key methods, and funding levels are often prescribed based on a mix of these methods. The most common method used is the formula-funding methodology, used by 24 out of the 27 OECD responding jurisdictions. This method uses pre-defined parameters, indicators and calculation methods to set the funding level on a transparent and standardised basis.

The second most frequently used method is historical allocation (used by 16 out of the 27 OECD responding jurisdictions) which is based on the amount of funding provided in previous year but which may be adjusted using certain parameters. A third, less common, method is an annual formal negotiation process based on a performance or funding agreement concluded between the government and a higher education institution or group of institutions. Most jurisdictions combine two or more of these funding allocation methods when setting core funding levels (Figure 4.3).

As an example, Poland combines the formula-funding and the historical allocation methods by restricting the formula-funding component to guarantee a minimum and maximum rate of change in funds compared to the previous year. In Sweden, the core funding for education is formula based while the core funding for research is mostly based on historical allocation. In Norway, there is no annual formal negotiation as such, but institutions annually submit requests for funding, which are considered by the government in the annual budget process.

Figure 4.3. Methods for determining the level of core public funding

Responding jurisdictions using each method

Notes: Total OECD jurisdictions responding = 27.

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

For Japan, results provided in the chart only apply to public (only national) higher education institutions.

For Austria, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.8.

Great diversity exists in the design of the funding formula across countries, including in terms of the types of indicator used to calculate funding allocations. In many systems with formula funding, input indicators play the most important role in determining the amount of funding an institution receives via a block grant. As shown in Figure 4.4, the most common input used is the overall enrolment or number of study credits. However, and given that input indicators can incentivise institutions to focus too heavily on volume of enrolments, output indicators are also widely used. In some systems, like Denmark, most indicators used are output-oriented (seven output- vs two input-oriented). The most common output used is the number of publications (Figure 4.4). Different formulae may also apply depending on the target of the expenditure (i.e. teaching or research activities). In some countries, such as New Zealand and Estonia, separate formula-funding methodologies – reflecting emphasis on different factors – are used for teaching and research funding.

Figure 4.4. Input- and output-oriented criteria in the formula-funding methodology

Number of responding jurisdictions using each criterion

Notes: Total OECD jurisdictions responding = 27. In orange, input and activity-oriented factors; in blue, output-oriented factors.

For Austria and Finland, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.8.

The share of core public funding for public and government-dependent private higher education institutions awarded using formula funding strongly varies according to the system. In almost half of the jurisdictions, the formula-funding methodology is used as the basis for allocating between 76% and 100% of the total core public funding amount awarded, while it represents 51-75% in six jurisdictions, between 26% and 50% in three jurisdictions and less than 25% in four jurisdictions.

Weights are also regularly used in funding formula, to reflect the varying costs of provision, by field of study, level of study and type of institution. The most common weighting used in funding formulae is providing certain fields of study a higher weighting in the formula (in 17 jurisdictions). For example subjects including medicine, engineering or natural sciences often receive higher levels of funding than humanities and social sciences (Figure 4.5). Other weights are less commonly in use, such as weights applied for particular study programmes (used by 11 of 27 jurisdictions).

In total, 6 of the responding jurisdictions indicated that they did not use any of the categories of weights mentioned in Figure 4.5 (Denmark, England (United Kingdom), Estonia, Hungary, Portugal and Turkey). However, some countries also have additional weighting factors not covered by the categories mentioned in Figure 4.5. For example, Finland applies a lower weight for a student enrolled on a second degree programme at the same level of education, and also applies weights according to the evaluated quality of research publications.

Figure 4.5. Weights included in the institutional funding formula

Number of responding jurisdictions using each type of weight

Notes: Total OECD jurisdictions responding = 27.

For Austria, results are included in the chart but only apply to public institutions.

Beyond the weightings described above, in 12 OECD jurisdictions (Belgium (French community), Canada, Czech Republic, Hungary, Italy, Japan, Lithuania, Luxembourg, New Zealand, Norway, Switzerland and Turkey) programme costs are taken into account in the formula for calculation of core funding allocations to higher education institutions. In Finland, while programme costs are not taken directly into account in the core funding allocation as such, they are used for computing weights when calculating the budget allocation, based on the number of degrees awarded in each institution. The vast majority of such adjustments are made based on the notional cost of instruction in the programmes offered (11 out of the 12 jurisdictions that take into account programme costs in the calculation of core public funding allocations), while two jurisdictions take into account the actual costs of instruction in the programmes offered and one jurisdiction adjusts the formula based on capital renewal costs.

4.1.2. Targeted public funding policies

Targeting public funding is often allocated in addition to core public funding, most notably for capital expenditure. In total, 18 of the responding jurisdictions receive a separate line of public funding for capital expenditure, in addition to core public funding, with a distinct procedure attached to the funding process. In contrast, other OECD jurisdictions (including Austria, Chile, Denmark, Finland, Netherlands, New Zealand, Portugal and Sweden) provide additional strategic flexibility to higher education institutions, by integrating funding allocations for capital expenditure in the regular block grant. In England (United Kingdom), higher education institutions receive block capital grant funding which they then use to fund new or replacement buildings and equipment.

Across the 27 OECD responding jurisdictions, Figure 4.6 shows the capital expenditure categories for which higher education institutions receive a separate line of public funding.

Figure 4.6. Capital expenditures types for which a separate line of funding is provided

Number of responding jurisdictions for each capital expenditure type

Notes: Total OECD jurisdictions responding = 27.

For Austria, results are provided in the chart but only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.9.

The periodicity of capital funding allocation strongly varies according to jurisdiction. While seven of the 18 OECD responding jurisdictions provide higher education institutions with funding capital expenditures on an annual basis, four jurisdictions have a funding period of three years or more for each round of funding, and seven do not provide any specific periodicity.

Decision processes for allocation of funding capital projects are also generally taken in a different way than those made for core public funding. The most common allocation process used is a prioritisation of capital projects by public authorities, although the metrics used for prioritisation were not covered in the survey (Figure 4.7).

Figure 4.7. Mechanisms for allocating capital funds

Responding jurisdictions using each mechanism

Notes:

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

Total OECD jurisdictions responding = 19. Data for individual jurisdictions are provided in Annex Table 5.9. For Japan, results provided in the chart only apply to public (only national) higher education institutions.

Governments also regularly support institutions in raising funds for capital projects in other ways. Across the OECD jurisdictions, 10 of the governments support institutional borrowing for capital expenditures, including the construction of new research and student services buildings or the infrastructure development. These supports often come in the form of loan subsidies or loan guarantees.

In 24 of the 27 OECD responding jurisdictions (with the exception of Luxembourg, Netherlands and Norway) higher education institutions can also receive targeted funding for purposes other than capital expenditure. As shown in Figure 4.8, the most common targeted funding schemes for institutions are to support student mobility and digital tools for course development and design, teaching and learning, while there is lower availability of targeted funding for staff mobility, student advising and learning analytics.

Among the OECD jurisdictions that allocate institutional funding to accredited private higher education institutions, the most common form of funding disbursed is from targeted funding schemes. Private not-for-profit institutions are more often eligible to receive institutional funding than private for-profit ones (Table 4.1).

Figure 4.8. Targeted funding programmes available in higher education institutions in the period 2015-2020

Number of responding jurisdictions with each targeted funding category

Notes: Total OECD jurisdictions responding = 24.

For Austria and Lithuania, results provided in the chart only apply to public institutions.

Table 4.1. Funding available for private higher education institutions

Responding jurisdictions with each type of funding

	Private not-for-profit institutions	Private for-profit institutions
Core public funding through a block grant	Belgium (French Community), Hungary, Japan, New Zealand, Norway, Slovenia	Hungary, New Zealand
Targeted funds	Czech Republic, Estonia, Hungary, Ireland, Japan, Lithuania, Luxembourg, New Zealand, Netherlands, Portugal, Slovenia	Czech Republic, Estonia, Hungary, Ireland, Lithuania, New Zealand, Netherlands, Portugal
Funds for capital expenditures	Japan, Portugal	Portugal

Note: In Luxembourg, under certain circumstances, private not-for-profit institutions may be eligible for public research funds

For Japan, professional graduate school, professional and vocational universities, professional and vocational junior colleges, colleges of technology, and post-secondary course of specialised training colleges are excluded from results provided in the table.

4.2. Governance of resource allocation in higher education institutions

4.2.1. Financial oversight by public authorities

This section presents results from the survey on the level of financial autonomy and responsibility of higher education institutions, how institutions can contribute and use allocated funds, their ability to borrow money and their ownership or land of buildings.

In most OECD jurisdictions, universities are the legal owners of their campuses and capital facilities, and can own and control the building or real estate they occupy (Figure 4.9). Sweden and Luxembourg are two notable exceptions to this pattern, (although Swedish higher education institutions remain the legal owners of other capital facilities). Some

countries (including Austria, Chile, Denmark, France, Lithuania, Norway and Slovenia) apply some restrictions to institutional ownership of capital assets. These restrictions usually take the form of requiring external approval or a notification to an external public authority.

Figure 4.9. Ownership of institutions of campuses and capital facilities

Responding jurisdictions indicated whether ownership of campuses and capital facilities is allowed

Notes: Total OECD jurisdictions responding = 27.

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

For Austria and Finland, results provided in the chart only apply to public institutions.

For Japan, results provided in the chart only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology and post-secondary course of specialised training colleges).

Higher education institutions in OECD jurisdictions may generate revenues from a wide range of sources, to supplement their income from public funding. Among the various potential income streams open to higher education institutions, leasing, or rental of land, buildings and facilities, the sale of educational services and the sale of consultancy services are the most common means of revenue generation that public and government-dependent private institutions are legally authorised to use (Figure 4.10). The authority of institutions to freely borrow money or increase tuition fees to grow revenues is much more constrained across the participating jurisdictions.

Higher education institutions may also earn financial revenue from private sources in a variety of ways (see Figure 4.11). The most common sources of private revenue for higher education institutions are the lease or rental of properties, the sale of institutional services and gifts, bequests or donations from organisations and individuals. These revenue-generating activities are permitted in all responding jurisdictions. However, some restrictions can still be applied to these activities. For example, Denmark allows the rental of properties only where there is excess capacity.

Figure 4.10. Legally authorised sources of additional institutional revenue generation

Number of responding jurisdictions permitting each type of revenue generation

Notes: Total OECD jurisdictions responding = 27.

For Estonia and Lithuania, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.10.

Private borrowing is permitted in 18 of the responding jurisdictions, with the exception of France, Italy, Luxembourg, Norway, Poland, Slovak Republic, Slovenia, Sweden and Turkey. In Portugal, higher education institutions that have an independent legal status are free to raise revenue by private borrowing, while other institutions may borrow privately only if they receive an authorisation from the government. In Estonia, the rules regarding private borrowing are established in the act of each university and most of the time these rules don't allow private borrowing.

Figure 4.11. Permitted activities for raising revenues from private sources

Number of responding jurisdictions permitting each activity type

Notes: Total OECD jurisdictions responding = 27.

For Austria, results provided in the chart only apply to public institutions.

Public authorities also operate many other financial oversight and control measures with respect to public and government-dependent private institutions. For example, the vast

majority of jurisdictions require institutions to regularly report revenues by source and expenditures by function, and submit audited financial statements to public authorities (Figure 4.12).

Figure 4.12. Financial oversight and control measures required of institutions

Number of responding jurisdictions with each regulatory requirement

Notes: Total OECD jurisdictions responding = 27.

For Estonia and Lithuania, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.10.

Despite comprehensive regulations for financial oversight in many jurisdictions, higher education institutions may still run into financial difficulties due to unforeseen internal circumstances or external systemic shocks. When institutions generate an operating deficit, they are often permitted to carry forward the deficit into the next financial year, though this may be subject to qualifying conditions (Figure 4.13). For Danish higher education institutions - which formally are part of the state - special permission is required in order to operate with a budget deficit. In Belgium (Flanders), there is a dedicated official (a “*commissaris van de Vlaamse Regering*”) appointed to each university and university college whose mission is to review the financial balance of the institutions and evaluate the risk management of the institutions.

When higher education institutions run into financial difficulties, in most jurisdictions they may be subjected to additional direct financial or governance controls by public authorities (in 18 of the responding jurisdictions – Figure 4.14). Another common measure is the requirement for institutions to agree a financial remediation plan with authorities (as in 15 responding jurisdictions). In 13 of the responding jurisdictions, an option exists for institutions to implement exceptional cost-cutting measures by declaring a specific form of financial difficulty.

Figure 4.13. Regulations governing the treatment of operating deficits in higher education institutions

Share of responding jurisdictions with each regulation in place

- Institutions may carry forward an operating deficit, subject to qualifying conditions (e.g. asset requirements, submission of financial management or remediation plan)
- Institutions may carry forward an operating deficit without restriction
- Institutions may not carry forward an operating deficit – annual budgetary balance is required

Notes: Total OECD jurisdictions responding = 27.

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

For Japan, results provided in the chart only apply to public (only national) higher education institutions.

For Estonia and Lithuania, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.10.

Figure 4.14. Policies in place in case of financial difficulties

Number of responding jurisdictions with each policy in place

Notes: Total OECD jurisdictions responding = 27.

For Estonia and Lithuania, results provided in the chart only apply to public institutions. Data for individual jurisdictions are provided in Annex Table 5.10.

4.2.2. Diversifying and coordinating higher education provision across the system

To promote the efficient use of public resources, government authorities may adopt public policies to reshape the landscape of higher education, encourage the expansion/diversification of higher education provision, or support the co-ordination and concentration of higher education programmes and institutions. These policies are often embedded in programme approval or accreditation processes. For example, public authorities in 15 of the responding jurisdictions require a demonstration of need or non-duplication during study programme approval processes (Figure 4.15).

Among the responding jurisdictions, various statutory, regulatory or funding constraints on the establishment of programmes exist, which may differ according to the orientation of the institution. For example, research-oriented institutions are prohibited from establishing professionally focused degree programmes in 15 of the 26 responding jurisdictions. In most jurisdictions, professionally-oriented higher education institutions are not permitted to establish doctoral degree programmes (Figure 4.16). In eight of the responding jurisdictions the prohibition is complete, while in seven jurisdictions they may establish doctoral degrees under special circumstances related to the field of study (two jurisdictions) or collaboration with a research university (five jurisdictions).

Figure 4.15. Means by which public authorities address duplication or excess capacity

Number of responding jurisdictions with each measure in place

Note: Total jurisdictions responding = 27.

Figure 4.16. Constraints of the establishment of doctoral degree programmes in professionally-oriented higher education institutions

Number of responding jurisdictions with each constraint in place

Note: Total jurisdictions responding = 26.

Belgium (WAL) refers to the French community of Belgium while Belgium (VLG) refers to the Flemish community of Belgium.

Specialisation in some missions can yield substantial benefits for higher education systems, by allowing them to profit from a concentration of labour and tasks. In 11 of the 26 responding jurisdictions, funding instruments exist to incentivise higher education institutions to develop distinctive and complementary profiles. Among these 11 jurisdiction, 8 of them are incentivised to focus specifically on developing specialised disciplinary teaching profiles.

In addition, a large range of collaborative agreements are permitted between institutions, either in the same institutional sector or in different institutional sectors. These arrangements can support higher education institutions to concentrate their investments and capacities to effectively improve and achieve economic efficiencies. Collaboration agreements may also seek to enhance academic performance or to better align the network and performance of institutions to public needs (Williams, 2017^[7]). The character of these arrangements can differ substantially across systems, from allowing higher education institutions to jointly offer individual courses, to permitting the sharing of facilities or equipment.

Collaborative arrangements are widely permitted across the responding OECD jurisdictions, regardless of whether the institutions are in the same sector or different sectors (Table 4.2). However, some higher education systems may impose limits of collaboration across sectors, most especially with respect to study programmes. In the Netherlands, for example, joint degrees are not permitted between institutions – students are always enrolled in one institution only for the duration of their study programme and obtain their degree from this institution.

In Norway, agreements can be made with providers outside the higher education system – typically hospitals and research institutes with specialised health or science laboratories -

to provide courses of up to 30 credits provided the academic qualifications of staff and the quality of facilities are at least at the same level as those at the higher education institution concerned.

Table 4.2. Permitted collaborative arrangements between institutions, within and across institutional sectors

Number of responding jurisdictions allowing each type of arrangement

	Collaborative arrangements are allowed between institutions	
	Within the same institutional sector	Across different institutional sectors
Jointly offering individual courses	20	19
Jointly offering entire programmes of study (e.g. dual degrees)	21	15
Jointly employing academic staff	16	15
Sharing physical facilities such as laboratories, libraries or computing facilities	21	21
Jointly procuring equipment	20	18
Jointly procuring services (e.g. for educational support or ancillary services)	18	17

Note: Total responding jurisdictions: 27. Different sectors are defined as research universities and applied science universities or their equivalents.

Depending on the jurisdiction, some courses and services might be outsourced by a higher education institution if it is deemed more efficient than establishing new offerings in-house. In 24 of the responding jurisdictions, higher education institutions are allowed to contract for third parties to provide management and business services and in 20 jurisdictions, institutions may contract for academic support functions to be provided by external organisations. Purchasing courses from third party providers is more often restricted, and is permitted in only 12 of the responding jurisdictions (Figure 4.17).

Figure 4.17. Permitted outsourcing arrangements in higher education institutions

Number of responding jurisdictions allowing each type of outsourcing

Note: Total jurisdictions responding = 27.

In 14 out of the 26 responding OECD jurisdictions, higher education institutions are permitted to outsource individual online courses that are part of a degree programme to an

external provider. However, where this is allowed, a range of conditions are attached. For example, outsourcing may be permitted only for certain programme types (4 jurisdictions), if the external provider is an accredited educational institution (9 jurisdictions), or if the external provider is an entity offering education and training (8 jurisdictions) (Figure 4.18).

Figure 4.18. Conditions to outsource online courses to an external provider

Note: Total responding jurisdictions = 26.

Finally, in 19 of the 26 responding jurisdictions, public authorities have put in place specific policies that support the creation and use of open educational resources (OER) by higher education institutions through funding (for 10 jurisdictions), or through policy that requires open licensing of educational resources (for 8 jurisdictions).

Figure 4.19. Policies supporting open educational resources

Notes: Total responding jurisdictions = 26.

Belgium (VLG) refers to the Flemish community of Belgium. For Japan, colleges of technology and post-secondary course of specialised training colleges are excluded from results provided in the chart.

5. Summary tables

The following tables present country-level summaries of selection of responses from the questions in the HEPS 2020. Specifically:

- Table 5.1 provides an overview of tuition fee policy features in each of the responding OECD jurisdictions;
- Table 5.2 shows the types of grant programmes available for each level of higher education in responding OECD jurisdictions;
- Table 5.3 shows some features of the different public loan systems in responding OECD jurisdictions;
- Table 5.4 shows the areas of human resource policy covered by specific legislation for public sector employment, for academic staff and by collective bargaining in OECD jurisdictions that have chosen to answer once to the survey;
- Table 5.5 shows the areas of human resource policy covered by specific legislation for public sector employment, for academic staff and by collective bargaining in OECD jurisdictions that have chosen to answer twice to the survey;
- Table 5.6 provides an overview of the contract types and conditions available across OECD jurisdictions, for both academic and non-academic staff;
- Table 5.7 shows existing regulations by main topic across OECD responding jurisdictions;
- Table 5.8 shows the individual indicators used in the higher education institution funding formula in each responding jurisdiction, for those OECD jurisdictions with a funding formula in place;
- Table 5.9 presents some policy measures in place for funding capital expenditure in each OECD jurisdiction;
- Table 5.10 presents some aspects of institutional financial autonomy and fiscal responsibility in the responding jurisdictions.

Table 5.1. Selected tuition fee policy features in OECD jurisdictions (2020)

	Who sets tuition fees?				Who pays higher tuition fees?					Who is authorised to waive fees?			For which categories of student may a fee waiver be granted?			
	Public authorities	Set forth in legislation	Institutions, without limits	Institutions, with limits	International students	Students from another sub-national jurisdiction	Students in blended/fully online programmes	Students in programmes taught in non-official languages	Students enrolled beyond the theoretical programme duration	Institutions autonomously	Institutions, with guidelines of public authorities	Public authorities	Students from disadvantaged population groups	Students from low-income households	Students demonstrating academic merit	Students in particular programmes of study
Austria		□ x			ø ø				ø	ø	ø		ø	ø	ø	ø
Belgium (Flemish Community)		△ □ x			x					x			x	x		
Belgium (French Community) ¹		△ □ x			x						x		x	x		
Canada ²				△ □ x	x	x	x	x	x	x	x	x	x	x	x	x
Chile				△ □ x					x	x			x	x	x	
Czech Republic ³			□ x					x	x	x			x	x	x	x
Denmark ³		△ □ x			x				x							
Estonia ⁴				□ x	x					x			x			x
Finland ⁵		□ x			ø ø			ø ø		ø ø			ø	ø	ø	ø
France	△ □ x				x			x			x		x	x		x
Hungary				△ □ x	x			x				x			x	
Ireland ⁶			x	△ □	x		x			x			x		x	
Italy	□ x							x	x			x	x	x	x	x
Japan ⁷	△ □ x									x				x	x	
Lithuania ⁸			△ □ x		ø			ø		ø ø			ø ø	ø ø	ø ø	
Luxembourg ⁹		△		□ x						x				x		x
Netherlands		△ □ x			x											
New Zealand				△ □ x	x					x			x	x	x	x
Norway ¹⁰		□ x								x						x
Poland				△ □ x						x			x	x		
Portugal ¹¹			x	△ □	x											
Slovak Republic ³				□ x				x	x	x			x	x	x	
Slovenia ³				△ □ x						x						
Sweden ¹²				△ □ x	x						x		x		x	
Switzerland ¹³			□ x							x						
Turkey	△ □ x				x		x		x			x	x			
England (United Kingdom)			△ x	□	x					x			x	x		

Notes:

For the question “Who sets tuition fees?” △ Applies to ISCED 5 programmes; □ Applies to ISCED 6 programmes and; x Applies to ISCED 7 programmes.

For the other questions: For the countries that responded twice to the survey ø represents the public institutions and o represents the government-dependent private institutions.

1. For Belgium (French Community), each of the options “*set forth in legislation*” and “*institutions may set fees (with limits)*” is a valid response.
2. In Canada, education policy decisions are made at the provincial/territorial level. Specific policy details may vary across the country.
3. In Denmark, Slovenia, Czech Republic and in the Slovak Republic, public higher education institutions do not charge tuition fees for full-time study programmes, except under the conditions ticked in the question “who pays tuition fees?”.
4. There are no tuition fees in Estonia for students studying in full-time programmes. Higher education institutions can ask tuition fees only from students who study in part-time programmes or programmes taught in another language. Moreover, in Estonia, the four categories of students may benefit from tuition fees waived, but only the two that have been selected are set in the agreement announced by the institutions.
5. In Finland, in the question B1.2, both conditions (“*international students*” and “*programmes taught in non-official languages*”) must be true. In addition, please note that there is a minimum fee that higher education institutions are required to collect and this cannot be waived.
6. In Ireland, institutions may also waive fees for sporting achievements.
7. Japan’s responses only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology and post-secondary course of specialised training colleges). In Japan, answers apply to “Enhanced financial support to students from low-income households”. As for the reduction or waiver of tuition and enrolment fees independently conducted by each university, etc., each university is responsible for determining the targeted student categories for reduction or waiver.
8. In Lithuania, answers apply to the university sector only and higher education studies are free of charges.
9. In Luxembourg, decisions to waive tuition fees are taken by the rector.
10. In Norway, answers apply to public institutions only.
11. In Portugal, master’s degrees that are a pre-requisite for specific career access are subject to government-imposed limits.
12. In Sweden, each of the options “*Public authorities*” and “*Institutions (with limits)*” is a valid response.
13. In Switzerland, information provided relates to federal core public funding of the cantonal universities and universities of applied sciences.

Table 5.2. Types of grant supports available in OECD jurisdictions, and features of the different grant systems (2020)

	Type of grants funding by public authorities are available in each jurisdiction				Students at the following types of higher education institution are eligible to receive grants from the largest public grant programme				Costs associated with participation in higher education is the grant programme designed to cover	
	Universal grants	Means-tested grants	Merit-based grants	Grants based upon membership	Public institutions	Government-dependent private institutions	Independent private not-for-profit institutions	Independent private for-profit institutions	Living expenses	Tuition fees
Austria ^{1 2}		△ □	△ □		x	x			x	x
Belgium (Flemish Community)		○ △ □			x	x			x	x
Belgium (French Community)		○ △ □			x				x	x
Canada ³	○ △ □	○ △ □		○ △ □	x	x	x	x	x	x
Chile		○ △	○ △ □	○ △	x	x	x			x
Czech Republic		△ □			x	x	x	x	x	
Denmark ⁴	○ △ □				x	x	x		x	
Estonia ⁵		△ □	△ □	△ □	x	x	x	x	x	x
Finland	△ □	△ □	△ □	△ □	x				x	
France ⁶		○ △ □			x	x	x	x	x	
Hungary	△ □	○ △ □	○ △ □	○ △ □	x	x	x			x
Ireland		○ △ □	○ △ □	△ □	x				x	x
Italy			△ □	△ □	x	x			x	x
Japan ⁷		○ △	○ △		x		x	x	x	x
Latvia			○ △ □		x				x	
Lithuania			△ □	△ □	x		x	x	x	
Luxembourg ⁸	○ △ □	○ △ □			x	x	x	x	x	x
Netherlands	○ △ □	○ △ □		○ △ □	x	x	x	x	x	
New Zealand	○ △	○ △			x	x	x	x	x	
Norway ^{2 4 8 13}	△ □	△ □			x	x	x	x	x	
Poland ⁹		△ □	△ □	△ □	x	x			x	x
Portugal		○ △ □	○ △ □	○ △ □	x		x	x	x	x
Slovak Republic		△ □	△ □		x	x	x	x		
Slovenia ¹⁰		○ △ □	○ △ □		x	x	x			
Sweden ^{4 11}	○ △ □				x	x			x	
Switzerland ¹²		△ □			x	x			x	x
Turkey	○ △ □	○ △ □	○ △ □	○ △ □	x	x	x	x	x	x
England (United Kingdom)		○ △ □		○ △ □	x				x	

Notes:

○ Applies to ISCED 5 programmes; △ Applies to ISCED 6 programmes and □ Applies to ISCED 7 programmes. Finland, Czech Republic, Switzerland and Slovenia do not have ISCED 5 institutions in their higher education system. In Italy, the Ministry of Education has not responsibility for short-cycle programmes.

1. In Austria, grant based upon membership of a disadvantaged population group exist, but are part of mean-tested grants.
2. Norway and Austria also provide grant supports for ISCED 5 level of education, but these are not included in this table as ISCED 5 is not part of their higher education system.
3. In Canada, only few provinces and territories (and the smaller ones in particular) do offer universal grants. In addition, education policy decisions are made at the provincial/territorial level. Specific policy details may vary across the country.
4. In Denmark, Norway and Sweden, there are no tuition fees for national students.
5. For Estonia, each of the options “*fixed number of weeks, months or years*” and “*multiple consecutive programmes*” is a valid response. Note that the Estonian need-based study-allowance is not designed to cover tuition fees or living expenses strictly.
6. In France, merit-based grants are also available for bachelor’s degree and short-cycle programmes, but under different conditions.
7. In Japan, there are no government-dependent private institutions. Japan’s answers for the types of grants funding by public authorities apply to grant-type scholarships: “Enhanced financial support to students from low-income households”. In addition, there is also government funding support for the reduction or waiver of tuition and enrolment fees which is applied to Short-cycle, Bachelors and Masters level, the targeted categories of reduction or waiver as well as eligible students are determined by each university, etc. Students eligible for “Enhanced financial support to students from low-income households” are those who attend universities, junior colleges, colleges of technology, regular course 4th to 5th grade, and post-secondary course of specialised training colleges.
8. In Luxembourg, the eligibility is linked to whether a higher education institution is accredited or not in the country where it operates. Similarly, in Norway, the study programmes attended must be accredited.
9. Poland has also higher education institution run by churches and religious associations on the basis of separate acts or agreements.
10. In Slovenia, independent-private for-profit institutions do not exist.
11. In Sweden, part-time students have financial support for 50% and students may receive financial support for a maximum duration of 12 semesters.
12. In Switzerland, Grant supports come under the jurisdiction of the cantons and are part of public expenditure in education. Each canton has its own conditions for grant supports. Financial support is available for studies at all higher education institutions if they lead to a recognised qualification. In addition, if there is no age limit for grant supports, cantons can set an age limit for grants in some cases. The age limit set by a canton cannot be under 35 years of life. Finally, if students may receive grant supports for a maximum of one programme at each level of study, they may receive grants for the theoretical duration of the programme, plus a fixed additional period.
13. In Norway, the maximum duration period is 8 years.

Table 5.3. Cost and duration of loan supports across OECD jurisdictions (2020)

	How is the maximum loan amount determined?				What type of repayment system does the public loan scheme use?	Under which of the following conditions can loans be totally or partially forgiven?						
	Up to a statutory upper limit (independently of costs of study)	Up to the limit of their tuition costs	Up to the limit of their tuition costs and a fixed amount for their living expenses	No statutory maximum loan amount		Repayment not completed in a fixed period after the end of studies	Timely graduation	Graduate is employed in eligible occupations	Graduate is employed in a specific region	Bankruptcy	Permanent disability	Death
Belgium (French Community) ¹	x				Fixed-repayment schedule							x
Canada ²	x				Fixed-repayment schedule	x				x	x	x
Chile	x				Income-contingent	x						x
Denmark ³	x				Fixed-repayment schedule							
Estonia	x				Fixed-repayment schedule						x	x
Finland	x				Fixed-repayment schedule		x				x	x
France	x				Fixed-repayment schedule							
Hungary	x				Income-contingent	x						x
Italy		x			Fixed-repayment schedule							
Japan ⁴	x				Choice between both systems						x	x
Latvia			x		Fixed-repayment schedule						x	x
Lithuania			x		Fixed-repayment schedule						x	x
Luxembourg ⁵			x		Choice between both systems						x	x
Netherlands ⁶			x		Income-contingent	x					x	x
New Zealand	x				Income-contingent					x		x
Norway ⁷				x	Fixed-repayment schedule			x	x		x	x
Poland ⁸	x				Fixed-repayment schedule						x	x
Portugal	x				Fixed-repayment schedule					x		
Slovak Republic				x	Fixed-repayment schedule			x	x			
Sweden ⁹	x				Fixed-repayment schedule	x					x	x
Switzerland ¹⁰			x		Fixed-repayment schedule					x	x	x
Turkey			x		Fixed-repayment schedule						x	x
England (United Kingdom)	x				Income-contingent	x					x	x

Notes: Czech Republic, Belgium (Flemish Community), Ireland, Austria and Slovenia do not provide loan supports.

1. In Belgium (French Community), the interest rate cannot exceed 4% and the repayment can be waived in case of death of the student or of one of his parents.
2. In Canada, education policy decisions are made at the provincial/territorial level. Specific policy details may vary across the country. In addition, there are also examples of loan programmes where “*students may borrow up to the limit of their tuition costs and a fixed amount for their living expenses*” and “*students may borrow up to a statutory upper limit, set independently of cost of study*”.
3. In Denmark, state loans are only available for students who are entitled to a state grant.
4. In Japan, there is also a system of exemption from repayment for graduate school students with particularly outstanding academic achievements. Under this system, graduate school recipients of Category 1 Scholarship Loans (interest-free) of JASSO (Japan Educational Information Centre) whom JASSO recognises as having achieved particularly outstanding academic results in their studies upon completion of their loan period, may be partially or wholly exempted from repayment of the loan.

5. In Luxembourg, for the maximum loan amount, none of the options proposed are fully suitable to describe the situation. In addition, please note that students eligible for a grant, are also eligible for a loan. Finally, note that the interest rate cannot exceed 2%.
6. In Netherlands, responses apply only to the loan available as part of the regular student finance.
7. In Norway, students receive a given amount of loan to cover living costs, and a percentage of the amount is later converted into an educational grant. Up to 40% of the loan may be converted into a grant if the students live away from their parents, obtain the required number of credits and their income and assets are under certain limits.
8. In Poland, the loan repayment may be suspended for a period of 12 months in the event of a difficult live situation.
9. In Sweden, the repayment is not fixed-schedule but annuity-based.
10. In Switzerland, loans come under the jurisdiction of the cantons and are part of public expenditure in education. Each canton has its own conditions for loans. Grants and loans are awarded under the same system. The eligibility for grants and loans is always checked by the authority in charge. In addition, please note that interest is due during the study period or the interest is paid by the canton.

Table 5.4. Areas of human resource policy covered by different types of regulation (2020)

	Hiring regulations and candidate profile			Terms and conditions of employment							Staff profile and representativeness			Human resource procedures						Retirement	
	Recruitment process	Qualification requirement	Language requirement	Contract type	Contract duration	Probationary period	Grade or career structure	Salary bands	Salary levels or benefits	Salary allocation	Duties and time	Gender balance	Inclusion of minorities	Equal opportunities	Promotion within the same job	Internal candidate recruitment	Performance evaluation	Merit-based rewards	Poor performance sanctions	Age	Pension rights
Austria ¹		□		□			□	□	□	□				□		□	□				
Belgium (Flemish Community) ²																					
Belgium (French Community)	□	□	□	□	□		□		□	□		□			□	□	□		□	□	□
Canada	□	□	□	□	□	□	□	□	□	□		□		□	□	□	□	□			□
Czech Republic ³	□																				
Estonia ⁴	□	□	□		□		□								□		□				□
Finland		□	□	□	□	□	□	□	□	□				□		□	□	□	□	□	□
France	□	□	□	□	□	□	□	□	□	□		□		□	□		□			□	□
Hungary	□	□		□	□	□	□	□	□	□				□	□		□	□		□	□
Ireland ⁵	□	□		□	□	□	□	□	□	□			□	□	□	□	□		□	□	□
Israel ⁶	□	□		□	□	□	□	□	□	□					□					□	□
Italy	□	□	□	□	□	□	□	□	□	□		□	□	□	□	□	□	□	□	□	□
Japan ⁷	□	□		□	□	□	□		□	□		□		□	□						□
Luxembourg	□	□					□								□		□				
Netherlands ⁸	□	□		□	□	□	□	□	□	□					□	□	□	□	□	□	□
New Zealand ⁹	□					□		□	□	□				□	□		□	□	□		
Norway ¹⁰	□	□		□	□	□	□	□	□	□		□	□	□	□	□	□	□	□	□	□
Poland																					
Portugal	□	□		□	□	□	□	□	□	□				□	□	□	□	□	□	□	□
Slovak Republic ¹¹	□	□			□		□	□	□	□				□						□	
Slovenia	□	□	□	□	□	□	□	□	□	□		□	□		□	□	□	□	□	□	□
Sweden		□		□	□	□	□							□	□					□	□
Switzerland ¹²	□	□		□	□	□	□	□	□	□		□	□	□	□	□	□	□	□	□	□
Turkey	□	□		□	□		□	□					□		□	□				□	□
England (United Kingdom) ¹³																					

Note:

x: Areas of human resource policy covered by specific legislation for public sector employment.

o: Areas of human resource policy covered by specific legislation for academic staff.

□: Areas of human resource policy covered by collective bargaining.

1. In Austria, the autonomy of Austrian universities includes full autonomy regarding human resources.
2. In Belgium (Flemish Community), though no specific regulations apply, the internal regulation of the different topics mentioned is at least discussed, and often negotiated with union representatives.
3. In the Czech Republic, the positions of professors and associate professors are state-regulated: professors are formally appointed by the President of the country upon a nomination by selected institutions. Once a person is promoted to one of these positions, the status associated is kept for life and has substantial implications for quality assurance but not necessarily for remuneration and other career aspects.
4. In Estonia, no difference exists between academic staff and other sectors' workers in terms of pension rights.
5. In Ireland, if guidelines are drawn up in relation to recruitment processes, contracts, sanctions etc., they are not agreed through collective bargaining. Performance evaluation procedures and salary scales are the only elements that were part of collective bargaining.
6. In Israel, staff duties and time allocation for the senior academic staff in the universities are determined at the institutional level.
7. In Japan, the items "qualification requirements for entry to specific academic posts", "form of employment contract" and "procedures for promotion to a higher post" are regulated not by the law but by a ministerial ordinance. In addition, please note that Japan's responses only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology, post-secondary course of specialised training colleges).
8. In the Netherlands, a number of aspects of human resource management are determined by individual higher education institutes, or as national policy that all universities execute or adhere to. This is not set forth in legislation, but in agreements between all Dutch universities.
9. In New Zealand, public institutions are required to have policies to meet duties to act as good employers, but the law is not prescriptive of human resourcing processes with higher education institutions.
10. In Norway, both teaching and research require formal qualifications regulated on both individual level through public regulations and on study programme level through quality assurance and accreditation regulations.
11. In the Slovak Republic, rector and dean may enter into a contract of employment in the position of higher education institution's teacher with a person over age 70 for the duration of 1 year, and this contract can be renewed repeatedly.
12. In Switzerland, the means of regulation applying to the aspects of human resource management for academic staff in public higher education institutions might vary from institution to institution. Answers have been ticked as long as they apply to at least one institution.
13. In England (United Kingdom), there are no specific employment regulations concerning the higher education sector.

Table 5.5. Areas of human resource policy covered by different types of regulation (2020) – OECD jurisdictions that answered the questions twice with separate responses for each sector of public and government-dependent private institutions

	Hiring regulations and candidate profile			Terms and conditions of employment							Staff profile and representativeness			Human resource procedures					Retirement	
	Recruitment process	Qualification requirement	Language requirements	Contract type	Contract duration	Probationary period	Grade or career structure	Salary brands	Salary levels or benefits	Duties and time allocation	Gender balance	Inclusion of minorities	Equal opportunities	Promotion within the same job	Internal candidate recruitment	Performance evaluation	Merit-based rewards	Poor performance sanctions	Age	Pension rights
Chile ¹	x x	x		x x	x x		x x	x	x			x	x x	x x	x x	x x		x x	x x	x x
Denmark	o x	o o		o o	o o	o o	o o	□ □	□ □		x x	x x	x x	o o	o o		□ o	x x		x □ □
Lithuania	o o	o o	x x	o	o o		o o			o o				o o		o		o o		x x

Note:

x: Areas of human resource policy covered by specific legislation for public sector employment.

o: Areas of human resource policy covered by specific legislation for academic staff.

□: Areas of human resource policy covered by collective bargaining.

In green: If regulations apply to universities.

In orange: If regulations apply to professional higher education institutions.

1. In Chile, the functioning of state universities is regulated by law, but each university can define its procedures for managing academic and non-academic human resources.

Table 5.6. Academic and non-academic staff contract types in OECD jurisdictions (2020)

	Which of the following forms of employment contracts are possible for academic and non-academic staff?							Is the total duration for which a staff member can be employed on temporary, fixed-term or hourly contracts limited?			Which of the following practices apply with respect to staff on temporary, fixed-term or hourly contracts?			
	General civil or public servant status	Specific civil or public servant status	Open-ended contract as employee of the institution, with enhanced protection against dismissal	Open-ended contract with the institution under general employment law	Fixed-term contract with possibility of conversion to permanent or open-ended employment	Fixed-term contract without prospect of conversion to permanent or open-ended employment	Other types of contract	Yes, by employment legislation or regulation	Yes, by collective bargaining or sector agreements	No	Statistics on staff in temporary employment in each institution are regularly reported to public authorities or made publicly available	The share of temporary staff in each institution is restricted by public authorities	The share of temporary staff is limited or taken into account by quality assurance or accreditation rules	The share of temporary staff is regulated through collective bargaining
Austria ¹			x x	o	o	o	x	Δ Δ			Δ			
Belgium (Flemish Community)		x x o o		x o	x o	x o		Δ		Δ	Δ Δ			
Belgium (French Community)		x x o o		x x	x x	x x		Δ Δ				Δ Δ		
Canada ²	x x o o	x x o o	x x o o	x x o	x x	x x	x x o o		Δ Δ		Δ Δ	Δ Δ	Δ Δ	Δ Δ
Chile ³	x x	x		x x	x x	x x	x x	Δ Δ			Δ		Δ	
Czech Republic				x x o o	x x	x x	x x			Δ Δ			Δ	
Denmark ⁴	x x o o			x x	x	x x		Δ Δ			Δ Δ			
Estonia			x	x x o o	x x	x x	x x	Δ Δ					Δ	
Finland ⁵				x x o o	x x	x	x x	Δ Δ			Δ Δ			
France		x o			x	x	x	Δ			Δ			
Hungary	x x	x x	x x					Δ Δ					Δ	
Ireland	x	x		x x	x x	x x	x	Δ Δ			Δ Δ			
Israel	x o		x x o o	x	x o	x	x x		Δ Δ		Δ			Δ
Italy	x o	x o	x o	x o	x o	x x o o	x o	Δ	Δ		Δ Δ	Δ	Δ	
Japan ⁶				x x o o	x x	x x	x x	Δ Δ			Δ			

Lithuania ⁷				x o o	x		x			Δ Δ			
Luxembourg			x x o o		x	x x		Δ Δ			Δ Δ		
Netherlands ⁸			x x o o	x x o o	x x o o	x x o o	x x	Δ Δ			Δ Δ		Δ Δ
New Zealand ⁹				x x o o			x x	Δ Δ				Δ	
Norway ¹⁰	x x o o	x		x x o o	x x	x x	x x	Δ Δ			Δ Δ		Δ
Poland				x x o o	x x		x x	Δ Δ			Δ		Δ Δ
Portugal	x o	x o	x o			x x	x x	Δ Δ			Δ Δ	Δ Δ	Δ Δ
Slovak republic	x x o o	x		x	x x o o			Δ Δ			Δ		
Slovenia	x x				x x	x x	x x	Δ Δ			Δ Δ		Δ
Sweden	x o	x x o		x x	x o	x o	x x	Δ		Δ	Δ Δ		
Switzerland ¹¹	x x o o	x		x x o o	x x	x x o o	x x	Δ Δ			Δ Δ		
Turkey	x o	x o	x x o o	x	x		x	Δ Δ			Δ Δ		Δ
England (United Kingdom)				x x o o		x x				Δ Δ	Δ Δ		

Notes:

For the question “Which of the following forms of employment contracts are possible for academic and non-academic staff?” the symbol “x” refers to the option “possible in the jurisdiction” and the symbol “o” to the option “current most frequent contractual status for staff newly appointed to permanent positions”.

x and o refer to academic staff.

x and o refer to non-academic staff.

For the other questions Δ refers to academic staff, and Δ refers to non-academic staff.

1. In Austrian higher education institutions, some employees still have the status of public/civil servants. However, these contracts are not available to new applicants.
2. In Canada, each of the options “collective bargaining or sector agreements” and “no” is a valid response, depending on the province.
3. In Chile, no differences are observed between public and government-dependent private institutions except on the item “statistics on staff” that is applicable to non-academic staff in government-dependent private institutions.
4. In Denmark, the students' contact with the researcher community is taking into account in institutional accreditation, but there is no specific requirements of the share of temporary staff. In addition, no differences are observed between public and government-dependent private institutions.
5. In Finland, fixed-term is limited. It is prohibited to use consecutive fixed-term contracts when the amount or total duration of fixed-term contracts or the totality of such contracts indicates a permanent need of labour.
6. In Japan, as no survey has been conducted on the most frequent current contractual status for staff newly appointed to permanent positions, the answers chosen are considered to be the most common among the contracts concluded by staffs of permanent positions. In addition, Japan's responses only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology and post-secondary course of specialised training colleges).
7. In Lithuania, no differences are observed between public and government-dependent private institutions except on the item “other types of contracts” that is applicable to academic staff in public institutions only.
8. For Netherlands, each of the options “employment legislation or regulation” and “collective bargaining or sector agreements” could be a valid response.

9. Note that in New Zealand, if legislation sets the broad parameters, collective bargaining agreements might involve more precise parameters.
10. In Norway, the normal type of contract is for permanent (indefinite) employment, but for some top functions (rectors, directors), and in some fields (fine arts), fixed-term contracts is the rule. In addition, please note that the share of staff in temporary employment is reported through the annual budget reports from the higher education institutions to the Ministry of Education and Research and is generally on the agenda of the annual governance meetings between the higher education institutions and the ministry.
11. In Switzerland, the most frequent contractor status generally depends on the specific position. Each of the options “employment legislation or regulation” and “collective bargaining or sector agreements” could be a valid response in the Swiss context.

Table 5.7. Existing regulation by topic in OECD jurisdictions (2020)

	Recruitment of academic staff regulations				Student-staff ratios regulations			Staff appraisal performance regulations		
	PhD graduates cannot be appointed in the institution where they gained their PhD	Access to civil or public servant positions restricted for foreign nationals	Individuals already employed by an institution should have priority in applying for vacant or new academic positions	All vacant or new academic positions must be opened to external candidates	Minimum staff-to-student ratio applies for all fields of study at the undergraduate (ISCED 5 and 6) level	Minimum staff-to-student ratio applies only for specific fields of study at the undergraduate level	Minimum staff-to-student ratio applies for doctoral studies	Performance in teaching	Performance in research	Performance in civic, commercial, regional or social engagement
Austria ¹	o			o				o	o	o
Belgium (Flemish Community)		o		o						
Belgium (French Community)			o	o				o	o	o
Canada		oo	oo	oo	o	o	o	oo	oo	oo
Chile ²		o	o					o	o	o
Czech Republic				o						
Denmark ³				o						
Estonia				o						
Finland ⁴								o	o	o
France				o				o	o	
Hungary				o				oo	oo	
Ireland ⁵										
Israel		o		o	oo			o	o	
Italy	o		o	o	oo		oo	oo	oo	o
Japan ⁶					o			o	o	o
Lithuania				o			o		oo	
Luxembourg	o			o				o	o	
Netherlands ⁷			oo	oo				oo	oo	
New Zealand ⁸									o	
Norway				o	o			oo	oo	
Poland				o				o	o	
Portugal				o	oo	oo	oo	oo	oo	oo
Slovak Republic				o				o	o	
Slovenia				o				oo	oo	
Sweden				o						
Switzerland				o			o	o	o	o
Turkey					o		o	o	oo	oo
England (United Kingdom)										

Notes:

o Specified in legal rules or government regulations

oo Specified in sector agreements

oo Specified in programme approval, quality assurance or accreditation rules

1. For Austria, the answer regarding the point on “PhD graduates” only refers to the Institute of Science and Technology.
2. In Chile, the priority given to individuals already employed by an institution in applying for vacant or new academic positions in the same institution applies only to public institutions.

3. In Denmark, the rector may decide to offer a candidate a position at professor or associate professor level without advertising the position if there is a particularly well qualified candidate for the position who, in an academic assessment, is found to be clearly better qualified than any others who might be considered for the position if it was advertised under the normal procedure.
4. In Finland, if in principle all vacant or new academic positions must be opened to external candidates, in few cases a position can be filled by invitation without public notice of vacancy when an academically distinguished person is being invited to take the position or a candidate is appointed to the position for a fixed period. In addition, students on tenure track can advance in it without competing against others in each promotion stage, but have to meet pre-defined criteria and pass evaluations.
5. In Ireland, where there are no staff student ratios, Health and Safety guidelines exist for numbers of students in laboratories and workshop environments.
6. Japan's responses only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology and post-secondary course of specialised training colleges).
7. In Netherlands, all vacant positions must be opened to external candidates, however it is possible to first open to internal candidates only, and then do a second round for external candidates.
8. In New Zealand, quality assurance rules require institutions to demonstrate that they have suitable capability to meet quality standards but rules are not prescriptive about how institutions achieve this.

Table 5.8. Mechanisms used for allocating core public funding and indicators used in the funding-formula methodology (2020)

	Methods used to set the funding level for the allocation of core public funding			Percentage of core public funding awarded using a funding-formula method	Input-oriented indicators										Output-oriented indicators													
	Historical allocation	Annual formal negotiation	Formula-finding		Overall enrolment	Staffing levels	Enrolments from disadvantaged population groups	International students	Research income	International research collaboration	International funding	Co-financing of research	Engagement with industry	Non-tuition private revenue raised	Degree awarded	Completion rates	Time to completion	Study credits completed	Doctoral degree awarded	Number of publications	Number of citations	Highly-cited researchers	Patents or spin-offs	Graduates in employment	Graduates employed in their field of study	Graduate earnings	Student feedback	National research evaluation results
Austria	0		0 0	51-75% 76-100%	0 0	0		0	0	0	0			0 0		0	0	0										
Belgium (Flemish Community)			x	76-100%	x		x							x			x	x	x	x								
Belgium (French Community)	x		x	76-100%	x	x	x											x	x									
Canada ¹	x	x	x	76-100%	x	x		x	x			x	x	x	x								x	x				
Chile	x		x	26-50%		x		x											x	x	x	x						
Czech Republic			x	76-100%	x			x			x				x				x	x	x	x	x				x	
Denmark	x		x	51-75%				x			x					x	x	x	x				x			x	x	
Estonia ²	x		x	76-100%	x			x	x			x	x		x								x					
Finland ³		0 0	0 0	76-100%				0 0	0	0 0	0 0	0		0 0		0 0	0 0	0	0 0				0 0			0 0		
France	x	x	x	0-25%	x	x																						
Hungary			x	76-100%	x		x																					
Ireland			x	0-25%	x		x		x					x				x				x						

Italy	x		x	51-75%	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Japan ⁴	x		x	26-50%		x	x	x	x					x					x	x	x			x				
Lithuania			ø o	76-100%	ø o				ø o	ø o		ø o		o					ø o									
Luxembourg ⁵		x																										
Netherlands	x		x	51-75%	x									x					x									
New Zealand ⁶			x	76-100%	x		x		x										x								x	
Norway ⁷	x		x	0-25%				x	x	x	x			x	x			x	x	x								
Poland ⁸	x		x	76-100%	x	x		x		x			x											x			x	
Portugal	x	x	x	76-100%																								
Slovak Republic			x	51-75%	x	x		x	x	x					x				x				x	x			x	
Slovenia	x		x	51-75%	x	x		x					x	x	x				x				x					
Sweden ⁹			x	26-50%	x				x								x		x	x								
Switzerland ¹⁰	x		x	0-25%	x	x		x	x		x				x			x	x									
Turkey	x	x																										
England (United Kingdom)		x																										

Notes:

For the countries that provided differentiated responses to the survey ø represents the universities and o represents the professional higher education institutions.

1. In Canada, the option 0-25% can also be chosen depending on the province. In addition, education policy decisions are made at the provincial/territorial level. Specific policy details may vary across the country.
2. In Estonia, there are also annual formal negotiations, the funding allocated is targeted funding. The targeted funding can become part of the core funding if it is allocated several years in a row and the activities are considered to become constant. In addition, the criterion that have been ticked apply only for higher education core funding.
3. In Finland, the annual formal negotiation process part of the funding is agreed at the negotiations, but not annually. There's no suitable alternative here for multi-annual negotiations, so the annual negotiation has been chosen even though it is not completely accurate. Negotiations are held every four years. Usually most of the funding is allocated for four years, except for a minor part that is allocated during the four-year period. Regarding weights some additional weights, for degrees lower weight for second degree on the same level, for publications weights according to evaluated quality of the publication channel.
4. In Japan, a part of the management expenses grants for national universities is distributed based on the evaluation indicators that each university independently establishes. Japan's responses only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology and post-secondary course of specialised training colleges).
5. In Luxembourg, funding is based on multi-annual contracts, which are negotiated and evaluated through, notably, a mid-term review and on the basis of a series of indicators.
6. In New Zealand, the formula used for teaching and learning is separate to formula used for research funding. In addition, the education Performance Indicators such as graduate outcomes are factored into allocation decisions (investment plan system), but not in the formula.
7. In Norway, there is no negotiation as such, but institutions annually submit requests for funding, which are considered by the government in the annual budget process.

8. In Poland, the formula-funding methodology is restricted by the mechanism that guarantees a minimum and maximum range of decrease/increase in funds compared to the previous year.
9. In Sweden, the core funding for education is totally formula based, on enrolments and students' credits in different disciplinary domains. The core funding for research (and PhD-education) is mostly based on historical allocation.
10. For Switzerland, the information provided relates to federal core public funding of the cantonal universities and universities of applied sciences.

Table 5.9. Funding mechanisms for capital expenditure in OECD jurisdictions (2020)

	Does the government support borrowing for capital expenditure?	Is there a separate line of public funding for capital expenditure?	For which of the following categories do HEIs receive a separate line of public funding?				Which is the main mechanism used for allocating capital funds to institutions?
			Construction of new buildings	Refurbishment projects	Equipment	Site or property acquisition	
Austria	No	No	0	0	0	0	Recurrent grants to institutions, earmarked for CE
Belgium (Flemish Community)	No	Yes	x	x	x	x	Recurrent grants to institutions, earmarked for CE
Belgium (French Community)	Yes	Yes	x	x	x		Recurrent grants to institutions, earmarked for CE
Canada	Yes	Yes	x	x	x	x	Recurrent grants to institutions, earmarked for CE
Chile	No	No					
Czech Republic	No	Yes	x	x	x	x	Based on application by institutions to calls for funding
Denmark	No	No					
Estonia	No	No					Prioritisation of capital projects by public authorities
Finland ¹	No	No					Based on application by institutions to calls for funding
France ²	No	Yes	x	x	x	x	Prioritisation of capital projects by public authorities
Hungary ³	Yes	Yes	x	x	x	x	Based on application by institutions to calls for funding
Ireland	Yes	Yes	x	x	x	x	Based on application by institutions to calls for funding
Italy	Yes	Yes	x	x	x	x	Prioritisation of capital projects by public authorities
Japan ⁴	Yes	Yes	x	x	x	x	Prioritisation of capital projects by public authorities
Lithuania	Yes	Yes	0 0	0 0	0 0		Prioritisation of capital projects by public authorities
Luxembourg	No	Yes		x	x		Prioritisation of capital projects by public authorities
Netherlands	Yes	No					
New Zealand	No	No					
Norway ⁵	No	Yes		x			Prioritisation of capital projects by public authorities
Poland	No	Yes	x		x	x	Based on application by institutions to calls for funding
Portugal	No	No					
Slovak Republic	No	Yes	x	x	x	x	Prioritisation of capital projects by public authorities
Slovenia	Yes	Yes	x	x	x	x	Prioritisation of capital projects by public authorities
Sweden	Yes	No					
Switzerland ⁶	No	Yes	x	x	x		Prioritisation of capital projects by public authorities
Turkey	No	Yes	x	x	x	x	Prioritisation of capital projects by public authorities
England (United Kingdom) ⁷	No	Yes	x	x	x	x	Recurrent grants to institutions, earmarked for CE

Notes: For the countries that responded twice to the survey 0 represents the universities and o represents the professional higher education institutions.

1. In Finland, the Government has earlier made and will make in near future a one-off investment in the future by providing universities with capital. Funding has been allocated on basis of fundraising that entitles universities to receive matching funding from central government. This is not a regular line but decided separately by government should they wish to do this kind of allocation.
2. For France, each of the options “*Prioritisation of capital projects by public authorities*” and “*Based on applications by institutions to specific calls for funding*” is a valid response.
3. For Hungary, each of the options “*Prioritisation of capital projects by public authorities*” and “*Based on applications by institutions to specific calls for funding*” is a valid response.
4. Japan’s responses only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology and post-secondary course of specialised training colleges).

5. In Norway, public funding for construction of new campus buildings and equipment is channelled through Statsbygg (the Norwegian government's building commissioner, property manager and developer) and not as a direct line of public funding to the higher education institutions.
6. In Switzerland, the information provided relates only to federal core public funding of the cantonal universities and universities of applied sciences.
7. In England (United Kingdom), institutions receive block capital grant funding which they then use to fund new or replacement buildings and equipment. In addition capital funding is classified as non-recurrent funding since it cannot be easily allocated through recurrent teaching grant funding. Teaching capital grant budgets are typically agreed for multi-year periods. However, allocations to individual institutions are awarded annually and expected to be spent within a financial year

Table 5.10. Institutional autonomy and fiscal responsibility policies in OECD jurisdictions (2020)

	Which of the following means of revenue generation are public and government-dependent private institutions legally authorised to use?										Financial oversight and control measures required				Policies in place with respect to institutions facing financial difficulty			
	Borrowing money (general commercial restrictions)	Borrowing money (limits applicable to HEIs)	Borrowing money (limits applicable to public bodies)	Increasing tuition fees (without limits)	Increasing tuition fees (for certain study programmes)	Increasing tuition fees (limited to maximum rate)	Retaining earnings from spin-offs/technology transfer	Leasing or rental of land, buildings and facilities	Sale of educational services	Sale of consultancy services	Submit regular audited financial statements	Regularly report revenues and expenditures	Adhere to public sector controls on capital expenditure	Adhere to publicly-imposed caps on staff remuneration	Declaration of a specific form of financial difficulty and cost reduction measures	Agreement on a financial remediation plan	Direct government or financial controls	Closure or consolidation of study programmes
Austria	x	x			x		x	x	x	x	x	x			x	x	x	
Belgium (Flemish Community)	x						x	x	x	x	x	x				x	x	
Belgium (French Community) ¹			x				x	x	x	x	x	x	x					
Canada	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chile			x	x			x	x	x	x	x	x	x				x	x
Czech Republic ²	x			x			x	x	x	x	x	x	x					
Denmark ³		x					x	x	x	x	x	x	x	x		x	x	
Estonia ⁴			o		o Δ	o Δ	o	o	o Δ	o Δ	o Δ	o Δ	Δ		o Δ	o Δ	o Δ	Δ
Finland ⁵	x				x		x	x	x	x	x	x			x			
France		x			x			x	x	x	x	x		x	x	x	x	
Hungary		x	x		x	x	x	x	x	x	x	x	x	x	x	x	x	
Ireland ⁶		x			x		x	x	x	x	x	x	x	x	x	x	x	
Italy						x	x	x	x	x	x	x	x	x	x	x	x	
Japan ⁷		x			x	x	x	x	x	x	x	x						
Lithuania		o Δ		o Δ				o Δ	o Δ	o Δ		o Δ				o Δ		
Luxembourg	x			x			x	x	x	x	x	x						
Netherlands ⁸		x			x		x	x	x	x		x		x	x	x	x	
New Zealand ⁹		x				x	x	x	x	x	x	x	x		x	x	x	
Norway ¹⁰							x	x	x	x	x	x		x			x	
Poland							x	x	x	x	x	x	x		x	x	x	x
Portugal		x			x		x	x	x	x	x	x		x				
Slovak Republic		x			x		x	x	x	x	x	x	x					
Slovenia			x					x	x	x	x	x	x	x		x	x	
Sweden		x						x	x	x	x	x			x		x	
Switzerland	x	x	x		x			x	x	x	x		x	x	x	x	x	x
Turkey		x				x	x	x	x	x	x	x	x	x			x	
England (United Kingdom)	x				x	x	x	x	x	x	x	x						

Notes:

x: Apply to both public and government-dependent private institutions.

For Estonia and Lithuania that have chosen to answer twice to the survey, ○ apply to universities only and △ apply to professional higher education institutions only.

1. The Belgium (French Community)'s answers only apply to "*universités libres*".
 - Only the option "Leasing or rental of land, buildings and facilities" is applicable to hautes écoles.
 - All options except "Institutions are required to adhere to public sector controls on capital expenditure" are applicable to hautes écoles.
 - For the hautes écoles, the option "direct governance or financial controls by public authorities" is applicable.
2. In Czech Republic, tuition fees apply only to study programmes in foreign language and to fees for exceeding the standard study duration by more than one year.
3. In Denmark, the option "Leasing or rental of land, buildings and facilities" is applicable only in case of excess capacity.
4. In Estonia, no tuition fees for full-time students or programmes taught on national language.
5. In Finland, there is no tuition fees for domestic students and students from EU/EEA-area or from programmes taught on national language.
6. In Ireland, while legislation provides for a borrowing framework for the institutes of technology and technological universities, there is no agreed framework in place. Only Universities may borrow. Also in Ireland, contracts of employment for salaries outside of agreed norms must be agreed with the Department of Education and Skills.
7. In Japan, there are no government-dependent private institutions. Japan's responses only apply to public (only national) higher education institutions (excluding professional graduate schools, professional and vocational universities, professional and vocational junior colleges, colleges of technology, and post-secondary course of specialised training colleges);
8. In Netherlands, please note that board level salaries are capped and the levels are published in the annual report. Remuneration paid to individual employees below board level are published if and when the remuneration exceeds a specific level.
9. In New Zealand, the option "Leasing or rental of land, buildings and facilities" is usually subject to approval by the Secretary of Education. In addition, the public sector controls on capital expenditure usually involve being subject to review by the Tertiary Education Commission.
10. In Norway, Public institutions may not charge tuition fees at all. Norway's answers only apply to public higher education institutions.
 - The government-dependent private institutions may borrow money subject to general commercial restrictions, and increase tuition fees without formal limits.
 - The option "Adhere to publicly-imposed caps on staff remuneration" is not applicable to government-dependent private institutions.

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