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British Parliament Passes Disputed Bill That Would Allow Universities to Raise Tuition

By KATE GALBRAITH

A controversial bill that would allow universities to increase tuition narrowly survived a vote in Britain's House of Commons on Tuesday evening, prompting higher-education officials around the country to heave a collective sigh of relief.

Under the legislation, which passed by a vote of 316 to 311 and will now be reviewed further in the House of Commons, universities in England and Wales would be able to charge British undergraduates a maximum of about \$5,500 starting in 2006. That would be an increase from the current limit of approximately \$2,050.

In an effort to soften the financial blow to students, the bill would abolish the current system of upfront payments and instead allow students to repay the fees after they have graduated and are earning at least \$27,400 a year.

Many students are outraged at the prospect of higher fees. Elliott Simmons, general secretary of the student union at the London School of Economics and Political Science, called the vote "disastrous."

"It means £9,000 [\$16,500] in additional debt for every student," he said. "These proposals will deter students from poor backgrounds" from attending college.

He also voiced fears, widely held among students, that the \$5,500 limit would be only a "first step" in raising tuition in Britain to market rates, such as those charged by private universities in the United States. The government, Mr. Simmons said, will "keep raising the cap -- to £6,000 [\$11,000], to £9,000 [\$16,500] a year."

Officials at Britain's cash-strapped universities, however, welcomed the vote. Sir Richard Sykes, rector of Imperial College London, part of the University of London, called it a "positive move."

But even if the bill passes, he said, it still will not fully remedy the severe shortage of funds at Imperial and at other universities. "It costs here about £15,000 [\$27,400] a year to teach a student," he said. "We'll get £6,000 [\$11,000] from the government, £3,000 [\$5,500] from the students. We're still missing £6,000."

Some of that \$11,000 would come from commercial ventures and donations, he said. But the remaining gap would be filled by "not paying people proper salaries" and by allowing the infrastructure to continue to wear out.

The financial situation at Britain's universities is indeed dire. Universities UK, an organization of the institutions' heads, calculates that universities suffered a 37-percent decline in government funds per student in real terms from 1989 to 2002. In 2000, the United States spent 2.7 percent of its gross domestic product on higher education, while Britain spent just 1 percent.

There is also a widespread recognition here that British universities are losing their competitive edge globally, as class sizes have increased and facilities have deteriorated.

Imperial plans to charge students the full \$5,500 if Parliament gives the bill final approval. Other institutions, such as the University of Oxford, have hedged, not wanting to anger students prematurely. But most are expected also to increase tuition to the new maximum if the bill becomes law.

Several top institutions, such as Imperial and the University of Cambridge, have recently announced additional grants for financially needy students, in an effort to show that higher fees need not deter applicants from diverse backgrounds. The legislation also contains provisions to shield the neediest students from the fee increase through government grants.

The Higher Education Bill, which is backed by Prime Minister Tony Blair's Labor government and opposed by many Conservatives, will now be given to committees in the House of Commons, which may amend its details. It will then be subject to another vote in the Commons. Assuming it passes, which is likely though not certain, the bill would then go to the House of Lords for approval.

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