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Executive Summary

In order to contribute to fiscal stability in times of crisis the Spanish Government Royal Decree-Law 14/2012 states that students must pay between 15 and 25% of the cost of their university education. The report examines the effects of this change from several perspectives:

1. From the viewpoint of the funding of public universities in Catalonia, public transfers have been cut by 45% between 2009 and 2012, a decline equivalent to nine years in real terms. The total expenditure of public universities has been reduced by 21%, thanks to the sharp 47% rise of tuition fees paid by students.

2. Due to the lack of analytical accounting, it is not possible to know the exact proportions of the costs of the university system that correspond to teaching and research expenses. However, on the basis of information of teaching hours at the University of Barcelona, this report estimates that the average cost of university teaching activities amounts to 59% of the total costs of public universities in Catalonia (within a potential variation range between a minimum of 49% and a maximum of 69%). According to this estimate, the proportion of the cost of teaching that is paid by students has risen from 21.6% in 2008 to 41.6% in 2012. There is great heterogeneity between universities, from 31% at the U. Pompeu Fabra to 56% at the U. Barcelona, but in all cases percentages are significantly higher than the 15-25% established by the Decree-Law 14/2012 for first enrolment in bachelor degrees.

3. From a comparative perspective, university spending as a proportion of GDP is in Catalonia (0.8%) lower than the OECD average (1.27%). However, the cost per student is comparable to the OECD average, and is lower than in most European countries. This contrast is explained by the fact that the number of students is lower in Catalonia than in the OECD, both as a share of the total population and (to a lesser extent) of the population 20 to 29 years old. This denies that “over-education” is at stake in Catalonia.

4. The shift in the funding model of public universities places the Catalan case near a small number of English-speaking countries where a high proportion of university costs are paid by the students, and far from most European countries, or elsewhere in the World, where students are paying less than 15% or 0%. It has also widened the gap between Catalonia and Spain in this regard.

The cuts on university public spending have moved Catalonia back to levels close to the beginning of the century. This policy may be the cause that has stopped the increase in the number of students, which has started to decre-

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ase from 2011 onwards (an unprecedented event since 1970, and probably since the years after the Spanish Civil War). This involves a reversal of the convergence trend with most European countries, which have a higher proportion of university students and cover their expenditure essentially with public funds. If this divergence keeps going on, we are in danger of a regression that would push us away from the high investment in talent and university research needed to pave the way for an alternative economic model for our country, able to go beyond construction and tourism. In spite of the already limited number of university students, Catalonia may be reducing them even further by making them pay 42% of their teaching. The low university expenditure in terms of GDP shows that this is not due to a lack of capacity to pay more and better universities.

Full report in other languages

The full contents of this report can be found in the Catalan and Spanish versions, available for downloading at:

Catalan:

http://www.observatoriuniversitari.org/blog/2015/01/28/el-financament-de-les-universitats-publiques-a-catalunya-1996-2014

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