

NORWAY'S POSITION IN INTERNATIONAL STUDENT MOBILITY THROUGH A NORDIC LENS — IMPLICATIONS AND RECOMMENDATIONS

SIU Conference 2015

- **This presentation was delivered by ICG at the 2015 SIU Conference in Tromsø on 12 March 2015.**
- **The presentation shall be considered incomplete without oral clarification.**
- **The opinions expressed in this presentation are those of the authors alone.**
- **International student enrollment data was sourced from a variety of national-level sources. ICG cannot vouch for the accuracy of the underlying data collection and reporting methods.**
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Introduction

International Student Mobility: The Global Context

International Student Enrollment in The Nordic Region

International Tuition Fees and Cost of Living

Implications and Recommendations for Norwegian Universities

Discussion

- **This presentation is designed for 30-35 minutes.**
- **Discussion time is allocated for the final part of this session.**
- **A PDF version of this presentation will be made available to SIU and will be posted on the ICG website (www.illuminategroup.com).**

- **Introduce the global context of international student mobility**
- **Comment on mobility trends in the Nordic Region**
- **Highlight a key factor driving mobility: Tuition fees and cost of living**
- **Share implications and recommendations for Norwegian universities**

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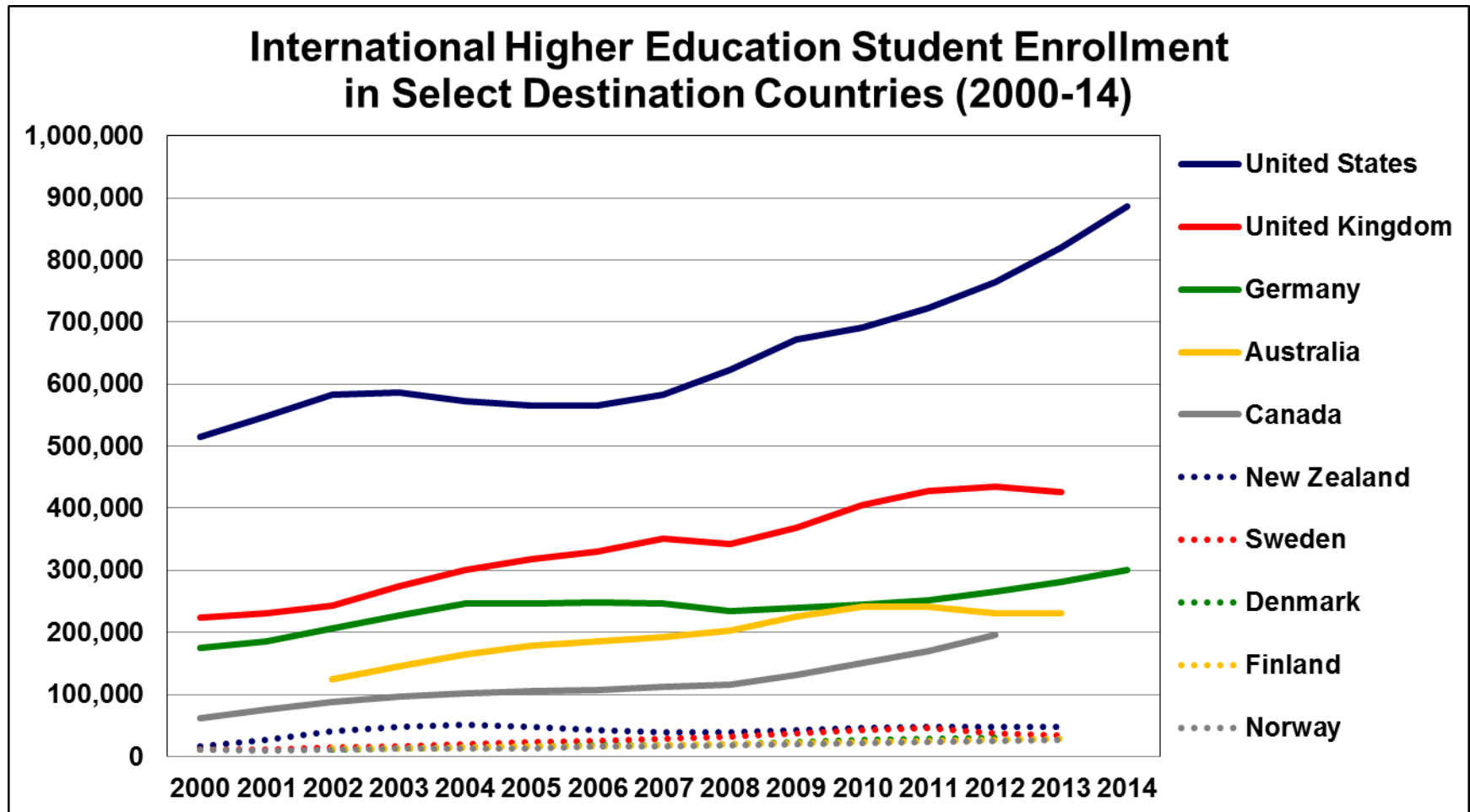
Discussion

INTERNATIONAL STUDENT MOBILITY: THE GLOBAL CONTEXT

Introduction

- **Strong growth.** In 2000, 1.6 million students studied outside of their country at the tertiary level. By 2012, this number had grown to 4.5 million (OECD). These numbers are likely an understatement.
- **International education is an industry.** Based on ICG estimates, international higher education alone accounted for USD 155-170 billion in expenditures in 2014.
- **Major destination countries.** The U.S. continues to lead by some margin. Other large destination countries include the UK, Germany, Australia, Canada, France – and China.
- **Major sending countries.** China remains the largest sending country by far. Other large sending countries include India, the U.S., South Korea, Germany, and Saudi-Arabia.
- **The Nordic Region.** A sustained increase in international enrollments since 2000 is pushing the Region towards 100,000 international students.

INTERNATIONAL HIGHER EDUCATION STUDENTS IN SELECT DESTINATION COUNTRIES



Most top destinations are also high tuition fees countries

Notes: Methodology revised for Australia between 2001 and 2002 and for the UK between 2007 and 2008.

Source: AEI, CIC, CIMO, DAAD-DZHW, ENZ, HESA, IIE, SIU, UFM, UKA.

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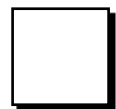
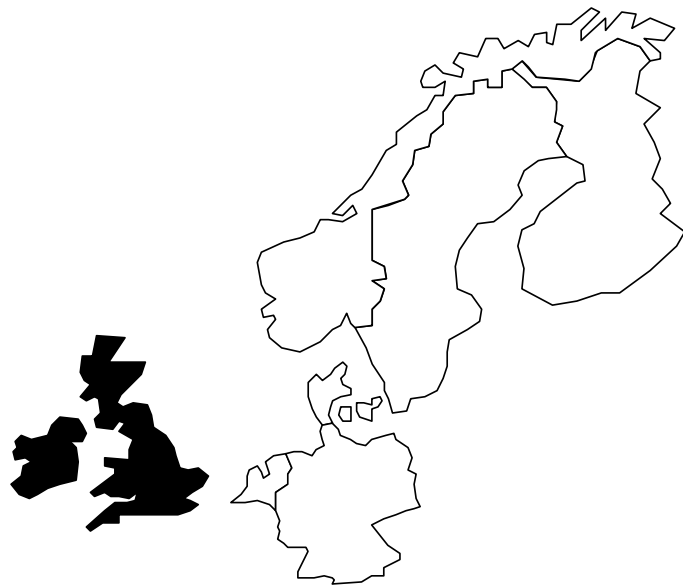
Implications and Recommendations for Norwegian Universities

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THE CHANGING EUROPEAN FEES LANDSCAPE

The Nordic Region is Taking a Lead Role

Europe in 2000



No fees

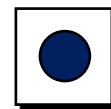
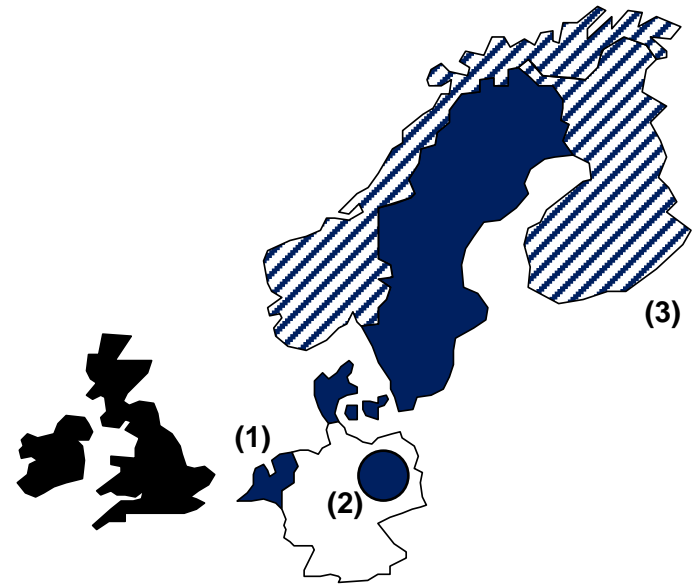


Domestic &
Non-EEA



Non-EEA
fees only

Europe in 2015



Non-EEA fees
Introduced and
then abolished



Non-EEA fees
proposed and
canceled

Notes: Fees denotes tuition fees. (1) Dutch universities levy a low level of domestic (EEA) fees. (2) Seven German states introduced and subsequently abolished fees between 2006 to 2014. (3) Announced.

Source: ICG.

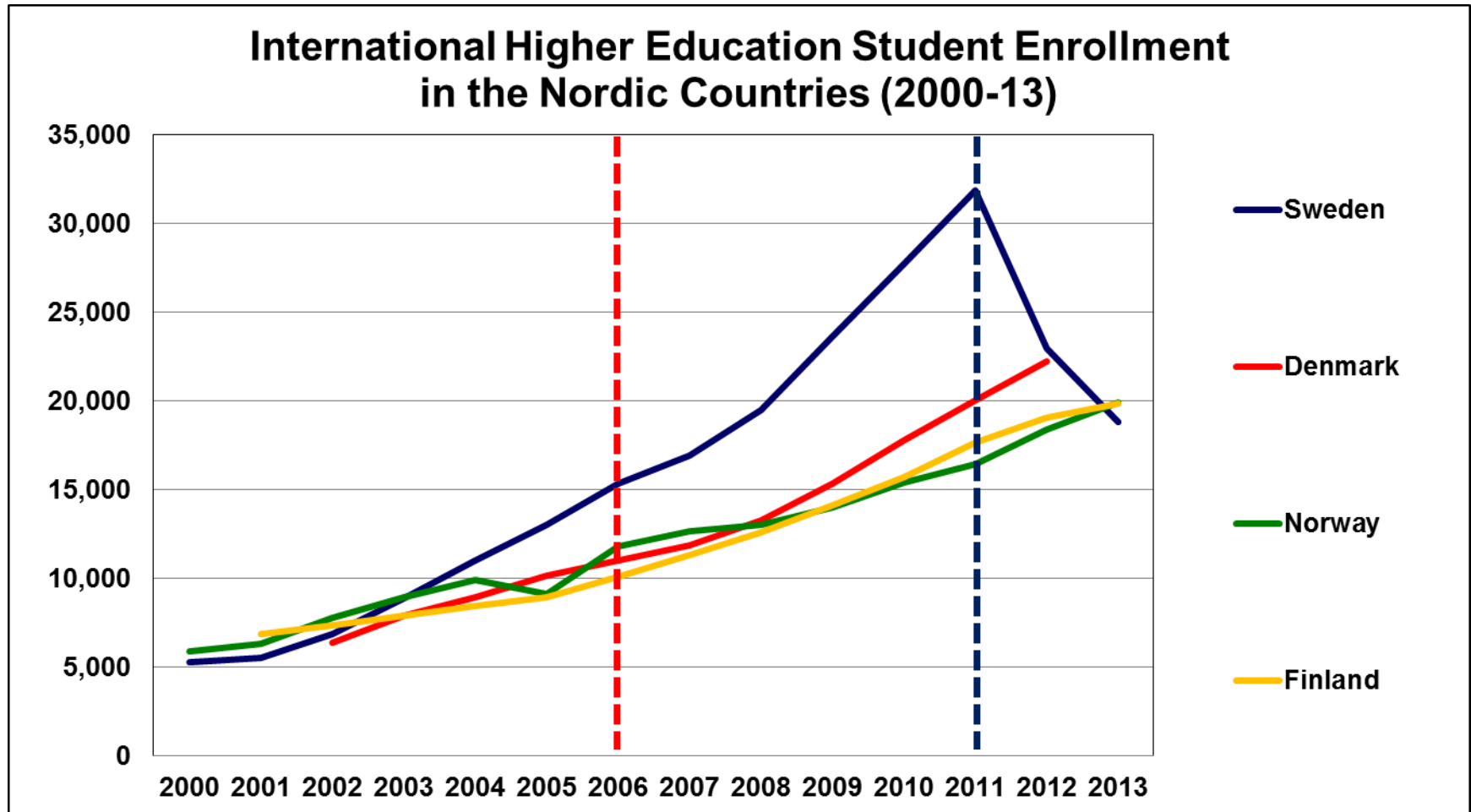
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- **This section will provide an overview of international student enrollment in the Nordic region, focusing on:**
 - **Denmark**
 - **Finland**
 - **Norway**
 - **Sweden**
- **This section will also highlight recent policy developments related to international student mobility in each country. In particular, this discussion will highlight relevant national government proposals or legislation related to tuition fees for international students and the subsequent response from the higher education sector.**

INTERNATIONAL HIGHER EDUCATION STUDENTS IN THE NORDIC COUNTRIES



Stable growth in Denmark, Finland, Norway versus fees impact in Sweden

Notes: Full degree students only.

Source: CIMO, NSD, UFM, UKA.

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INTERNATIONAL STUDENTS IN DENMARK

Impact of Tuition Fees

- **Tuition fees for non-EU/EEA/Switzerland students (“third country students”) were introduced in 2006.**
- **Individual universities calculate international tuition fees on a cost basis and are entitled to set tuition fees at a level higher than the cost of providing education for international students.**
- **Higher education in Denmark is free for domestic/EU/EEA full-time students.**
- **Third country students pay fees ranging from DKK 45,000 to 125,000 (EUR 6,000 to 16,800).**
- **The intake of non-EU/EEA students declined 35 percent in the year fees were introduced, then subsequently grew until 2009; intake has been slowly decreasing since.**
- **Institutions receive a limited number of government scholarships to fund full-degree students from non-EU/EEA countries. Government scholarships are also available for international students studying in Denmark under select bilateral agreements with certain countries or between institutions.**
- **International students are not eligible for student loans in Denmark.**

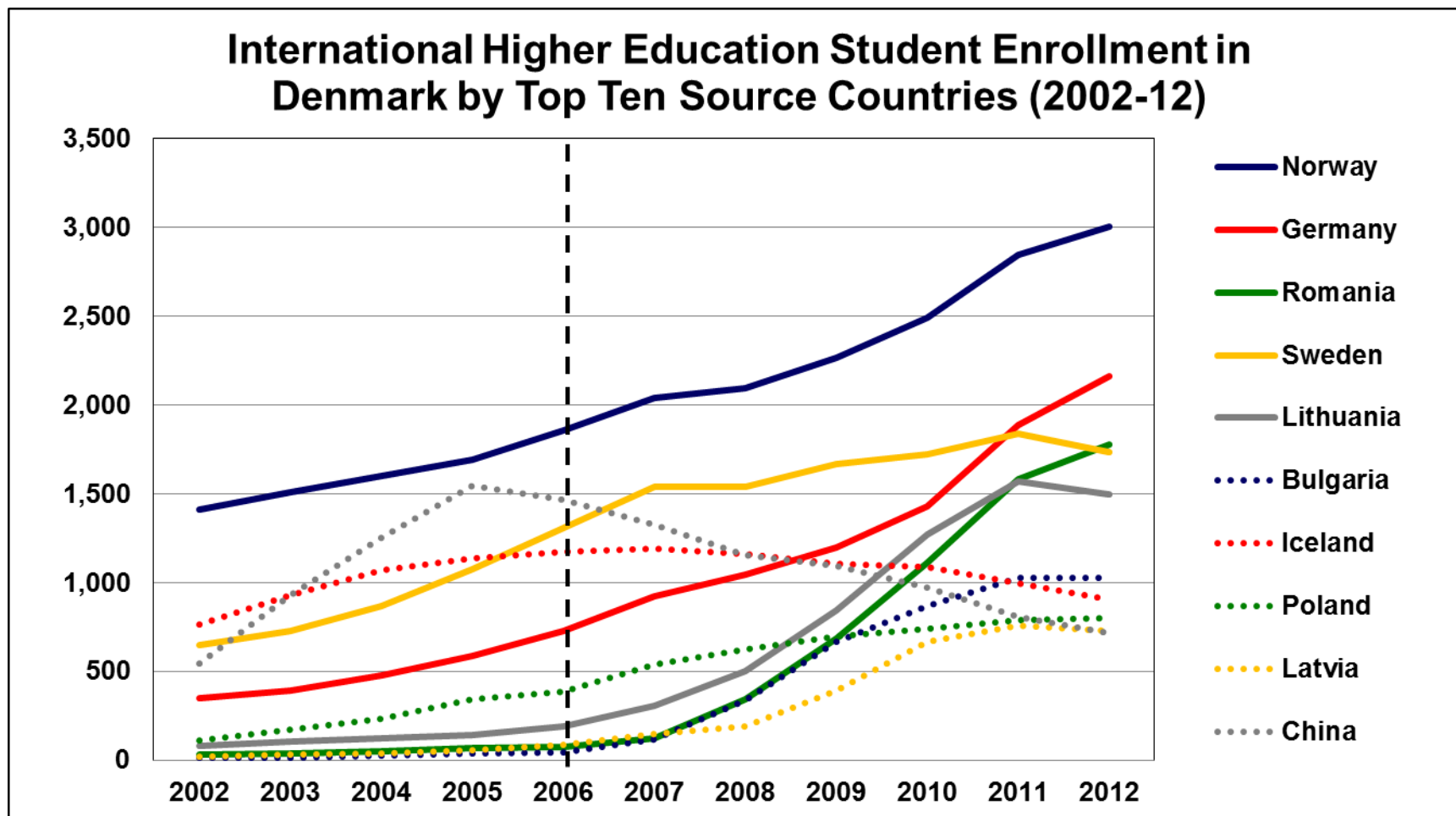
INTERNATIONAL STUDENTS IN DENMARK

Recent Developments

- **In September 2014, the Danish Minister for Higher Education announced a plan to reduce enrollment in degree programs with high unemployment rates by 4,000 places within three years. This decision would primarily impact programs in the humanities.**
- **The announcement was widely protested by universities and the public. Notably, the University of Copenhagen and the University of Southern Denmark announced they would stop enrolling new foreign students since the cuts would result in reducing places for Danish students.**
- **In November 2014, the Minister signed a compromise agreement with Danish universities giving them more control over the cutbacks and postponed the implementation of reductions.**
- **Under the new agreement, Danish universities must cut 3,500 undergraduate places by 2018.**
- **Between 2018 and 2020, Danish universities will have to cut 2,400 (post-) graduate places.**

INTERNATIONAL STUDENTS IN DENMARK

International Higher Education Student Enrollment in Denmark



Majority of growth since 2006 came from European countries

Note: Data includes only full-degree students. Dashed line demarcates the introduction of tuition fees for non-EU/EEA students in Denmark.

Source: UFM.

INTERNATIONAL STUDENTS IN FINLAND

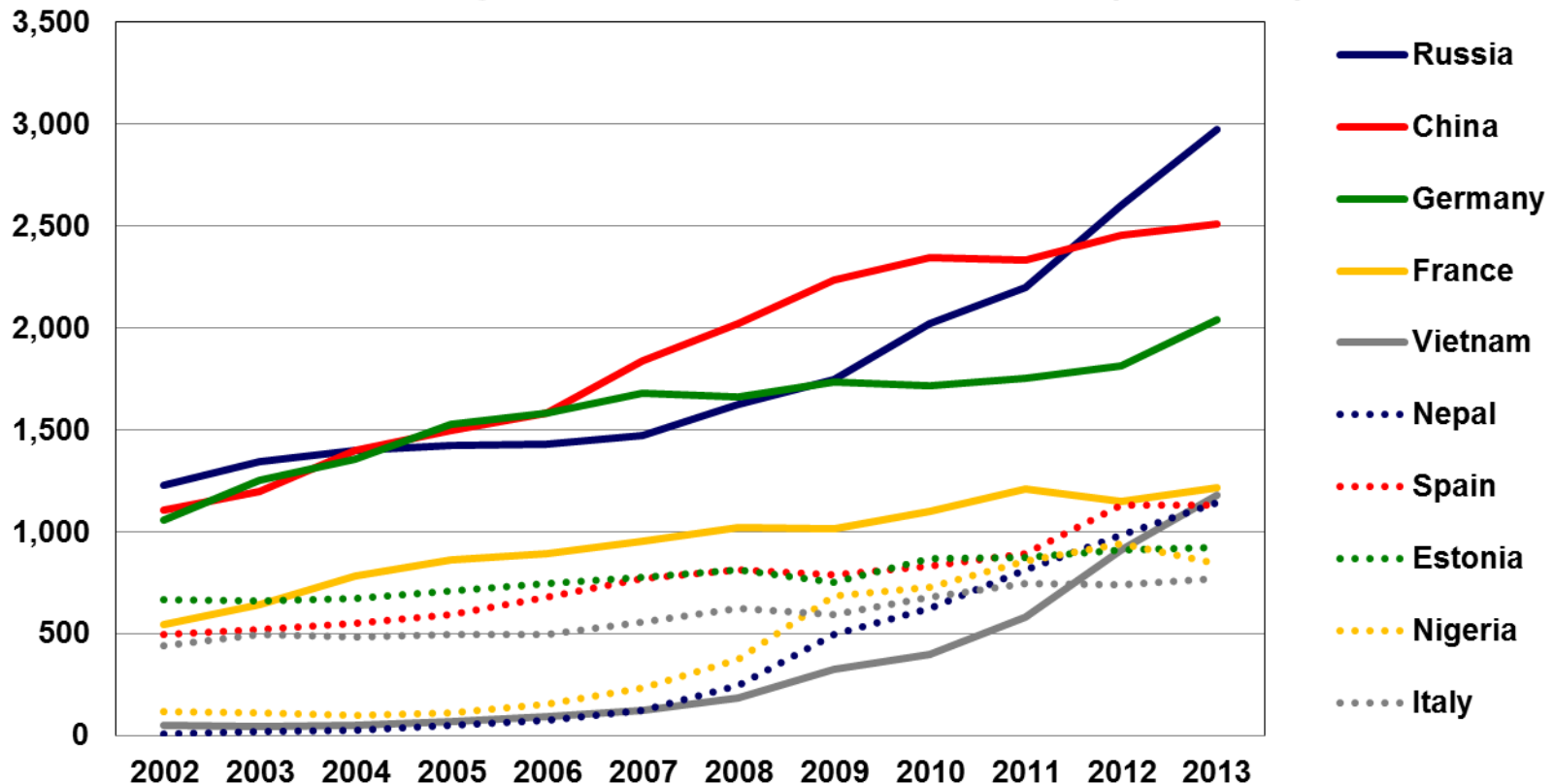
Recent Developments

- **Currently, Finnish higher education institutions do not charge students tuition fees regardless of nationality. During a 2010-2014 trial period, institutions could charge fees to non-EU/EEA students in Master's programs not taught in Finnish. Nine universities and ten polytechnics participated, charging fees for 40 programs in total.**
- **In October 2014, it was reported that the Finnish government has proposed introducing tuition fees for non-EU/EEA students admitted to start degree studies (taught in English only) in Finland in autumn of 2016. The government stipulated a minimum fees level of EUR 4,000 per year.**
- **The proposal was opposed by student unions and the Union of University Researchers and Teachers. Most Finnish institutions supported the introduction of fees in response to a comment round organized by the Ministry of Education and Culture, but wished to retain the authority to set fees levels themselves.**
- **The proposal was withdrawn before a vote in the Finnish Parliament.**

INTERNATIONAL STUDENTS IN FINLAND

International Higher Education Student Enrollment in Finland

International Higher Education Student Enrollment in Finland by Top Ten Source Countries (2002-13)



Several non-EU countries producing notable growth (China, Vietnam)

Note: Exchange students and full-degree students.

Source: CIMO.

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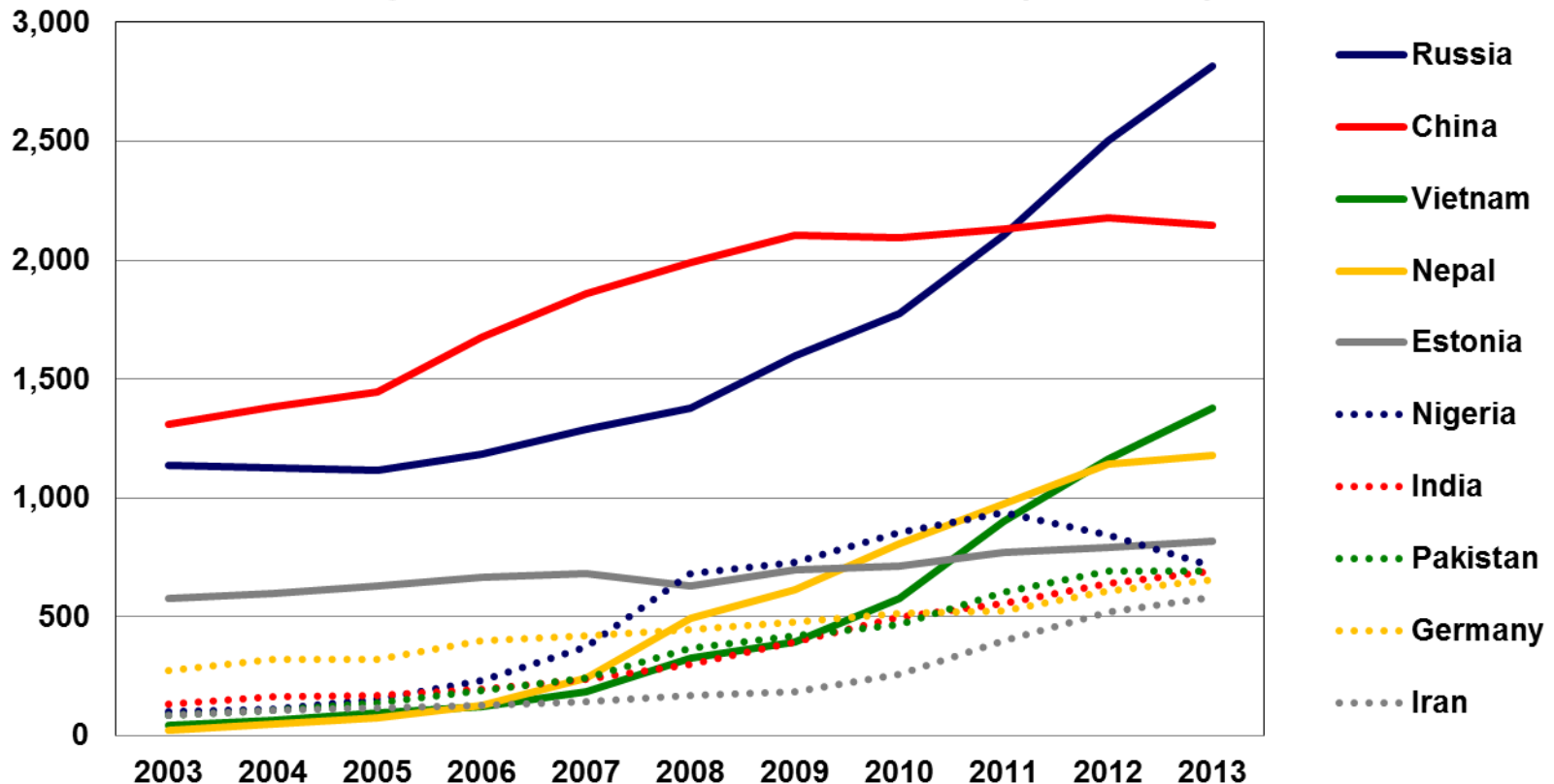
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INTERNATIONAL STUDENTS IN FINLAND

International Degree-Seeking Student Enrollment in Finland

International Degree-Seeking Student Enrollment in Finland
by Top Ten Source Countries (2003-13)



Many degree-seeking students coming from outside Europe

Note: Full-degree students only.

Source: CIMO.

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INTERNATIONAL STUDENTS IN SWEDEN

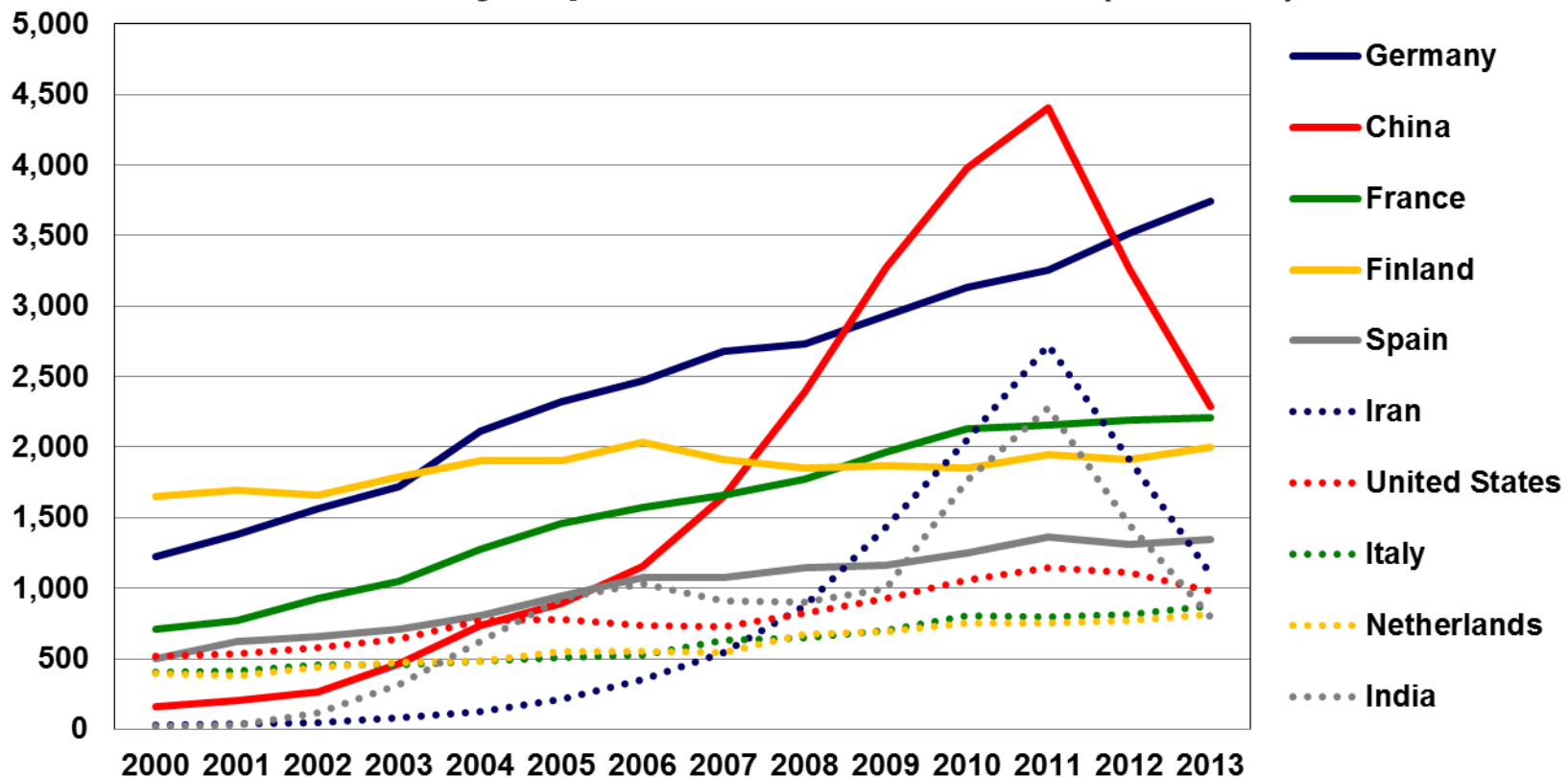
Impact of Tuition Fees

- **Tuition fees for non-EU/EEA/Switzerland students were introduced in 2011.**
- **Higher education institutions in Sweden determine the cost of fees for non-EU/EEA/Switzerland students. Most universities have set fees equal to the governmental contribution to a student seat. International fees range from SEK 80,000 to 150,000 (EUR 9,000 to 16,900). International doctoral students are considered university employees, therefore tuition fees do not apply.**
- **Following the introduction of fees, non-EEA intake initially decreased by more than 50 percent, resulting in an enrollment drop of nearly 30 percent.**
- **In addition to existing Swedish Institute-administered scholarships, the Government introduced two new scholarship programs after the introduction of tuition fees: the Swedish Tuition Fee Waiver and the Swedish Institute Study Scholarships – these programs received a combined SEK 110 million (EUR 12 million) in funding in 2012.**
- **International students are not eligible for student loans in Sweden.**
- **The Swedish government considered dropping fees in the fall of 2014 before reversing itself.**

INTERNATIONAL STUDENTS IN SWEDEN

International Higher Education Student Enrollment in Sweden

International Higher Education Student Enrollment in Sweden by Top Ten Source Countries (2000-13)



Impact of fees on top non-EU source countries evident

Note: Exchange and full-degree students.

Source: UKA.

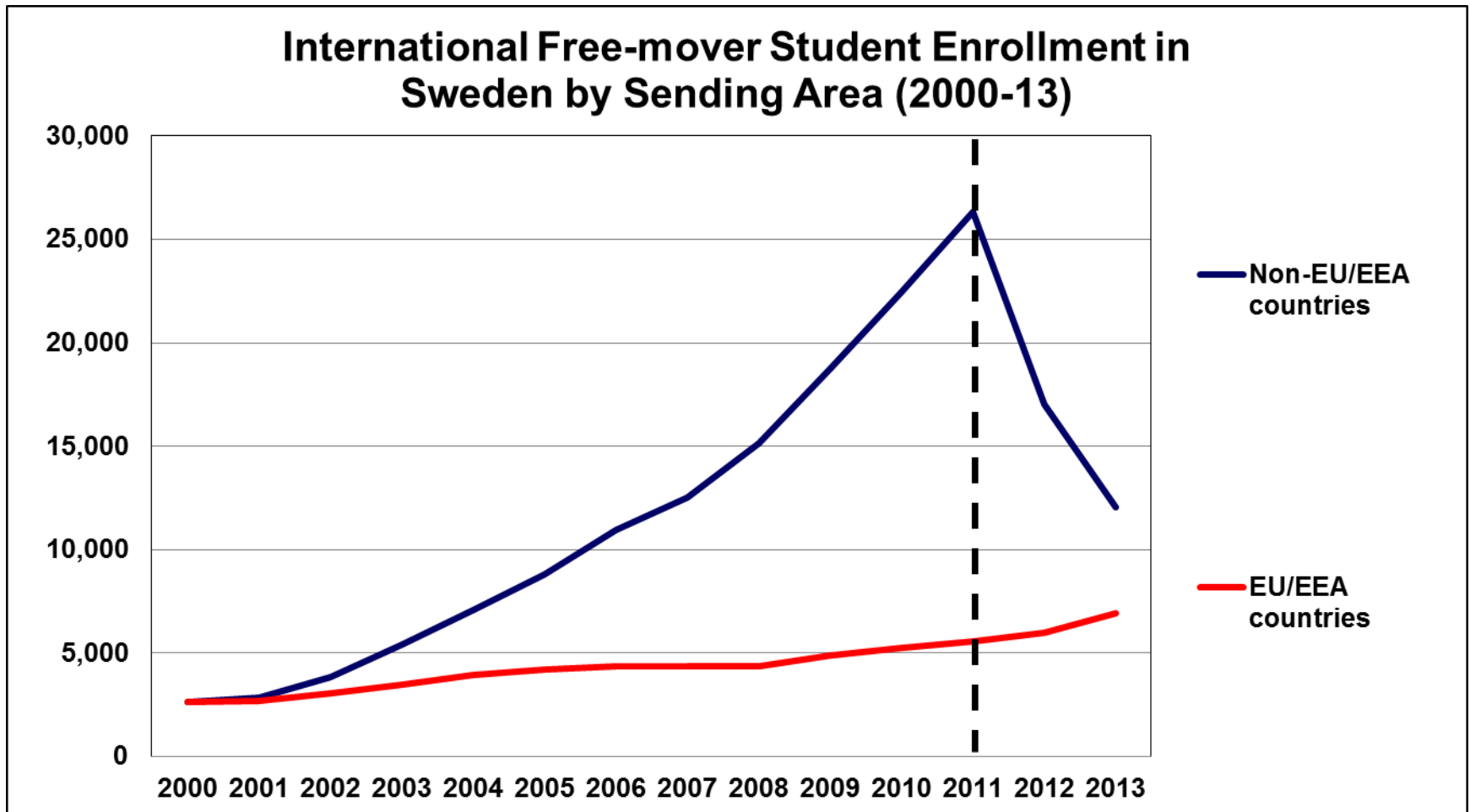
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INTERNATIONAL TUITION FEES IN SWEDEN

International Free-mover Student Enrollment in Sweden



Significant enrollment drop after the introduction of fees

Note: Full-degree students only. Dashed line demarcates the introduction of tuition fees for non-EEA students in Sweden.

Source: UKA.

INTERNATIONAL STUDENTS IN NORWAY

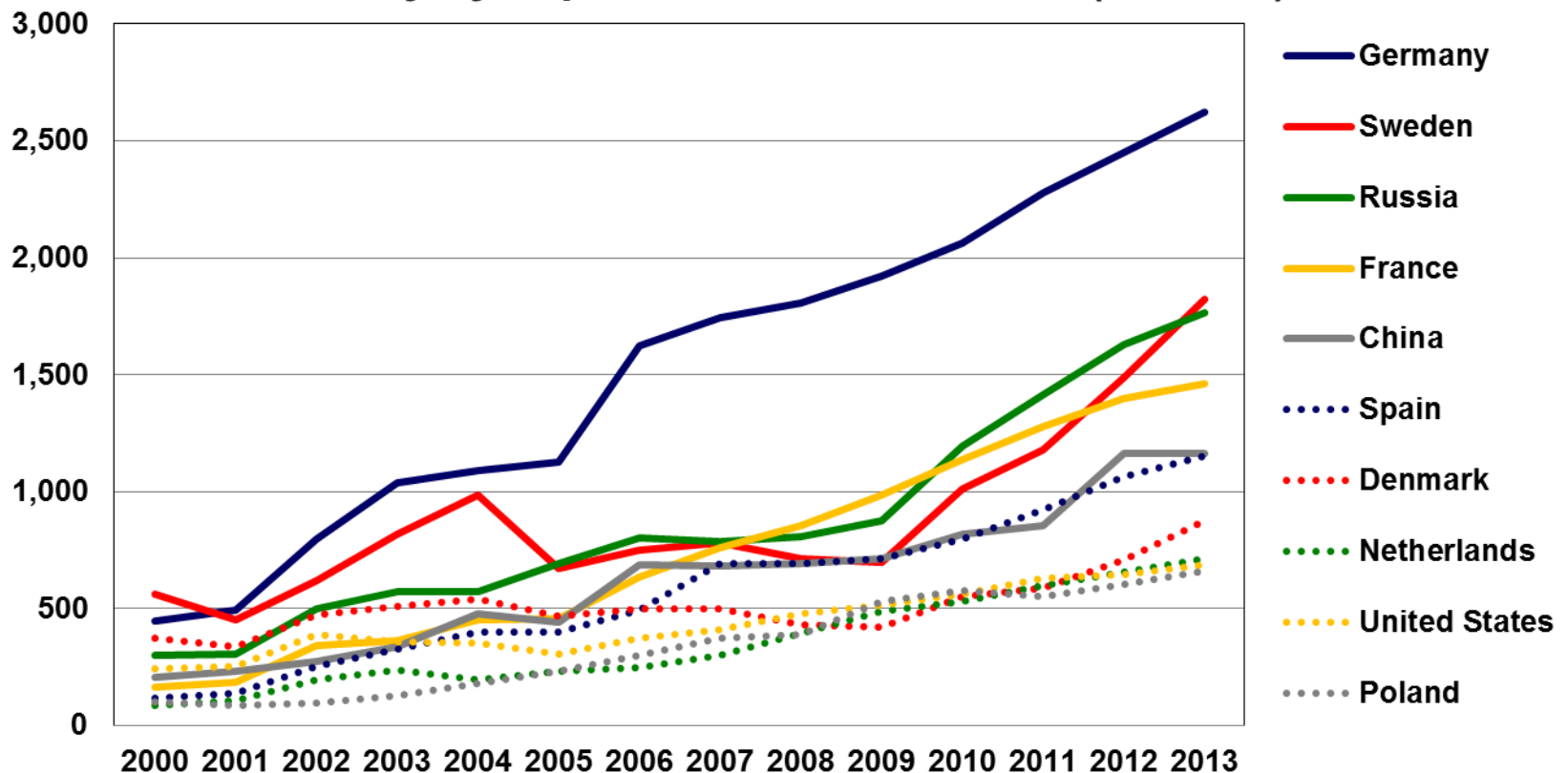
Recent Developments

- **Currently, Norwegian higher education institutions do not charge students tuition fees regardless of nationality.**
- **In October 2014, the Norwegian government proposed introducing tuition fees for non-EU/EEA students in its 2015 budget.**
- **In particular, the budget would cut NOK 80.5 million in funding for universities and colleges, with the expectation that tuition fees would compensate for the difference.**
- **The proposal was heavily opposed by higher education institutions and student organizations, including public protest from the Rector of the University of Oslo.**
- **In November 2014, the Norwegian government announced the retraction of the proposal, instead reaching an agreement with opposition parties to restore the funding for universities and colleges in the budget.**

INTERNATIONAL STUDENTS IN NORWAY

International Higher Education Student Enrollment in Norway

International Higher Education Student Enrollment in Norway by Top Ten Source Countries (2000-13)



Strong growth from many lead source countries

Note: Exchange students and full-degree students.

Source: NSD.

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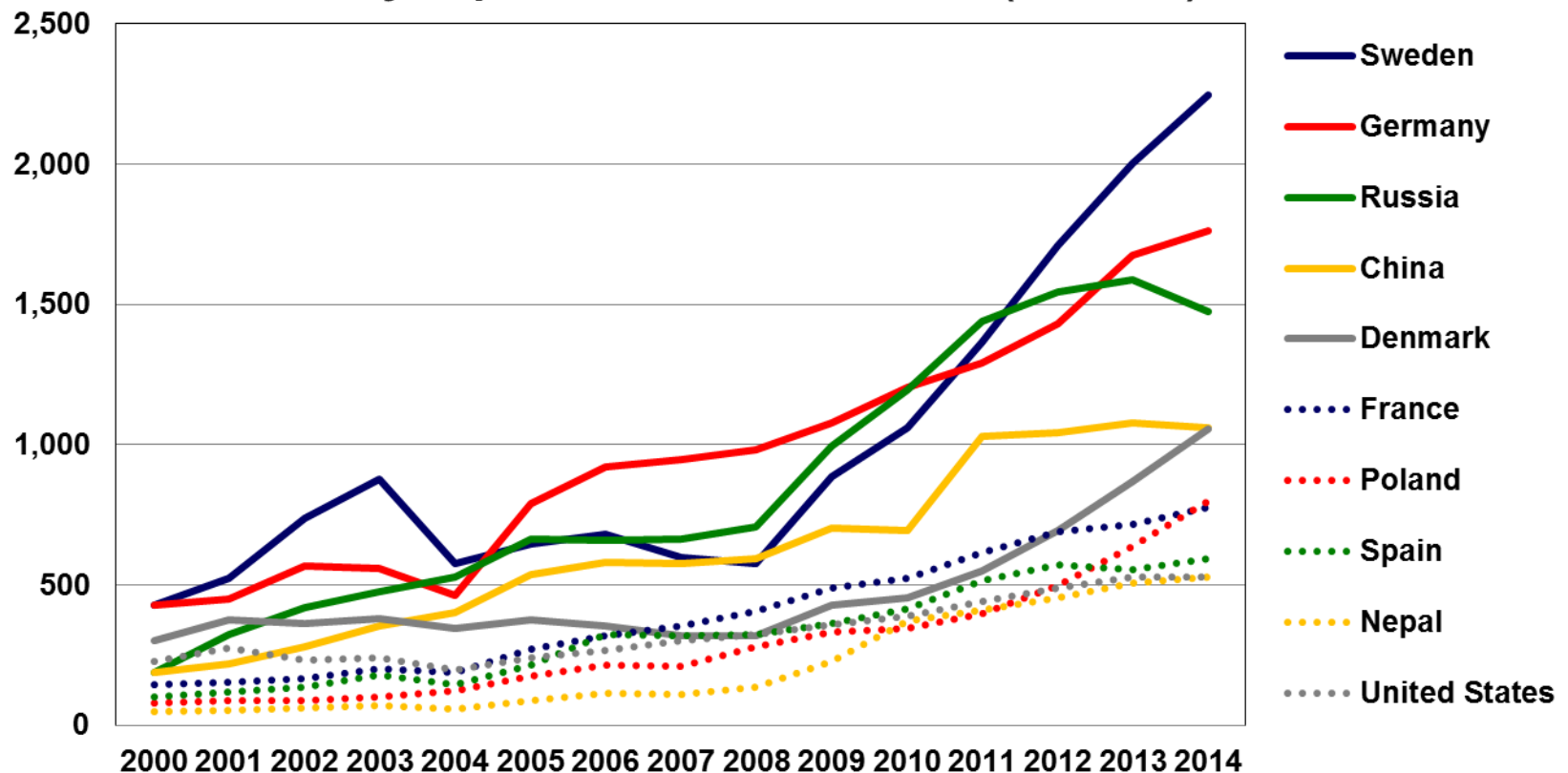
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INTERNATIONAL STUDENTS IN NORWAY

International Degree-Seeking Student Enrollment in Norway

International Degree-Seeking Student Enrollment in Norway
by Top Ten Source Countries (2000-14)



But growth from non-EU countries may be slowing in degree programs

Note: Full-degree students only.

Source: NSD.

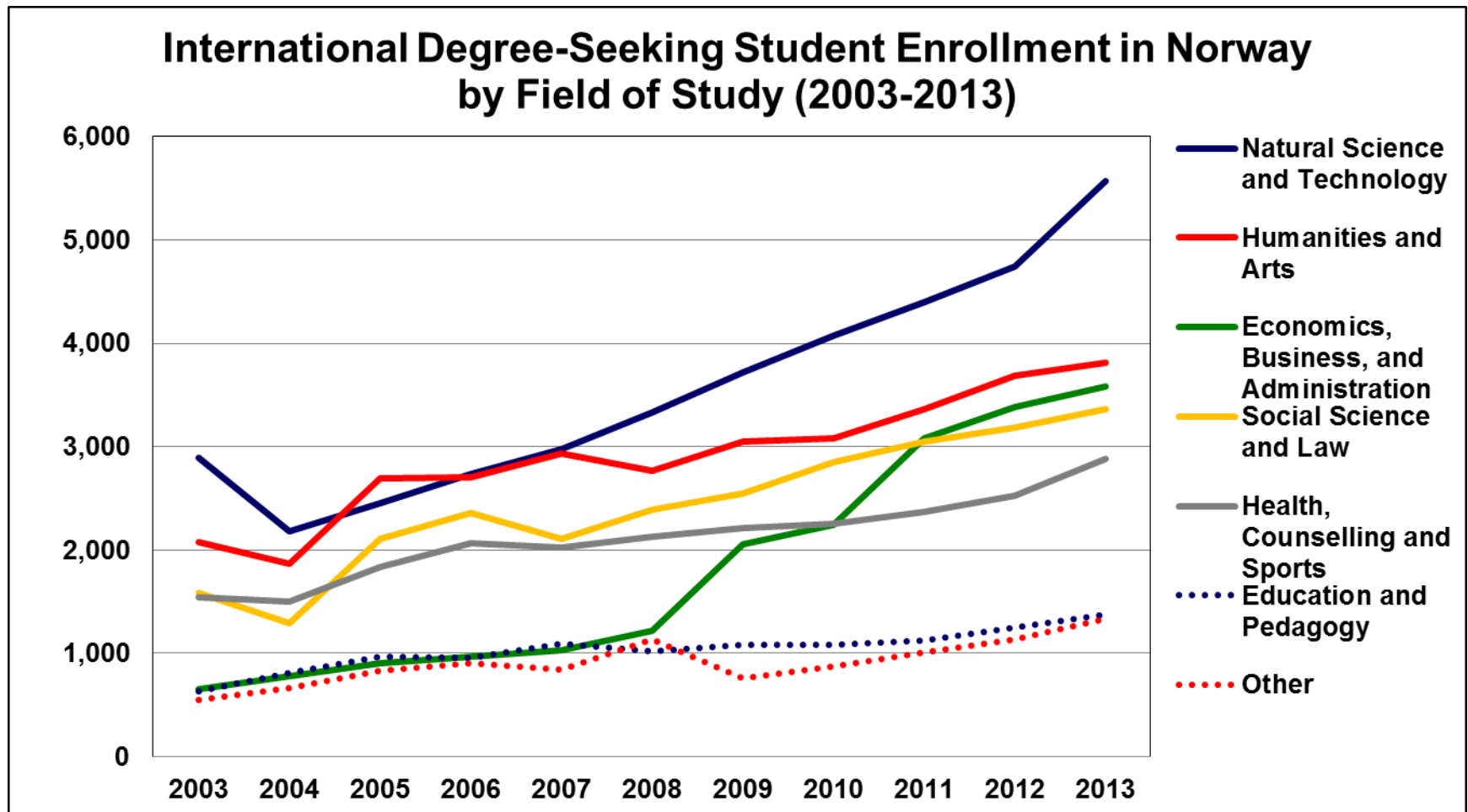
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INTERNATIONAL STUDENTS IN NORWAY

International Degree-Seeking Student Enrollment by Field



Growth in science and technology, business programs

Note: Full-degree students only. "Other" includes "General Competence", "Planning, Safety, Transportation and other Services", "Primary Industry-related", and students whose field of study was not listed. Source: NSD.

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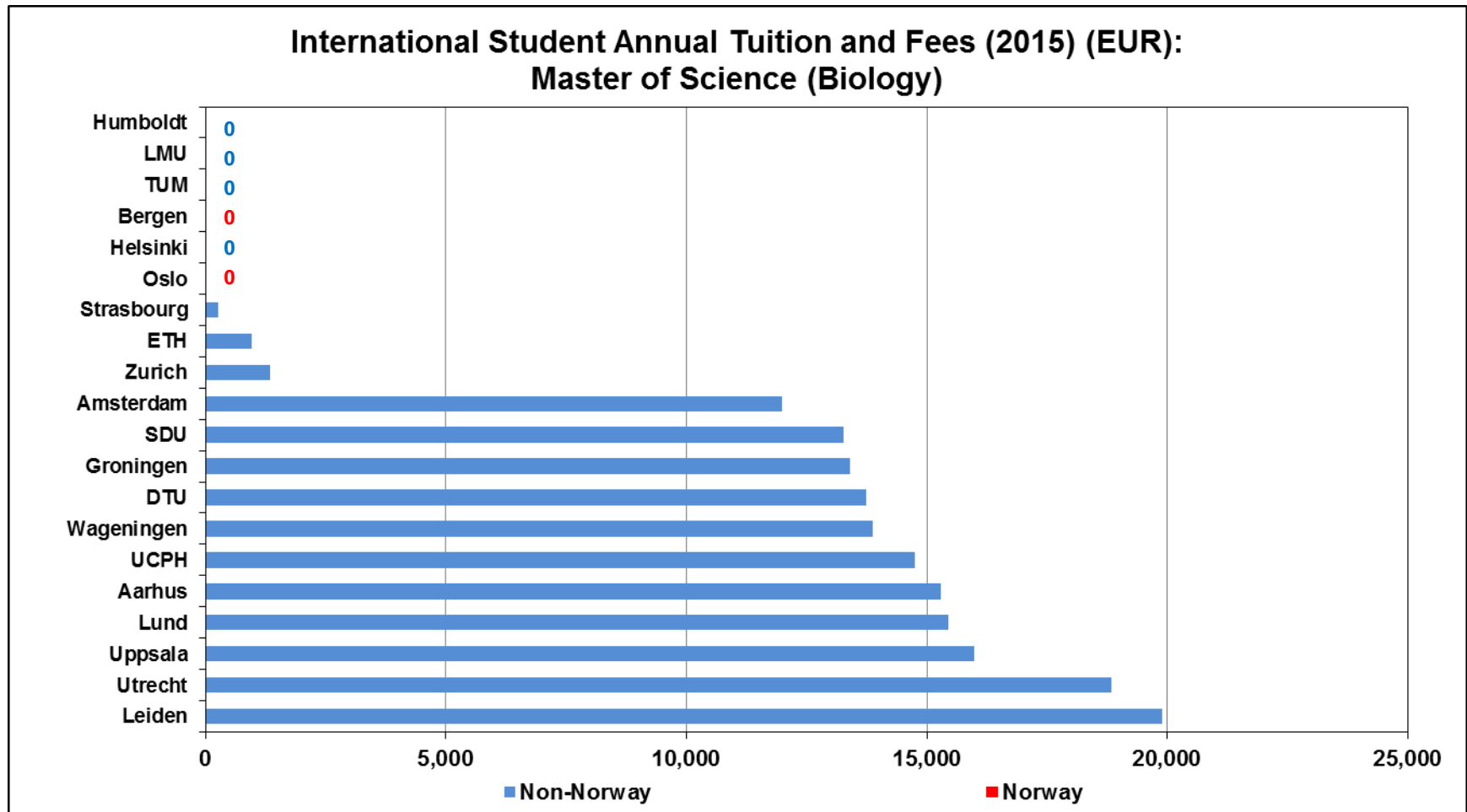
INTERNATIONAL TUITION FEES AND COST OF LIVING

Overview

- **This section will share data from ICG's International Tuition-based Competition Database (ITBCD).**
- **ITBCD reflects 5,400 hours of research and analysis since 2012. It covers 155 ranked universities and around 11,000 programs.**
- **The analysis presented compares the costs for an international student to complete a specified degree program at universities around the world.**
- **The data in this section will focus on comparing the costs to complete a degree program at benchmarked Norwegian universities to peer universities in the Nordic countries, the rest of Europe, and other major destination countries.**
- **This section aims to position the costs of studying at Norwegian universities in the appropriate competitive context – relative to universities that do charge tuition fees and others that do not.**

INTERNATIONAL TUITION FEES IN COMPARATIVE PERSPECTIVE

Annual Tuition Fees Cost: Master of Biology Programs



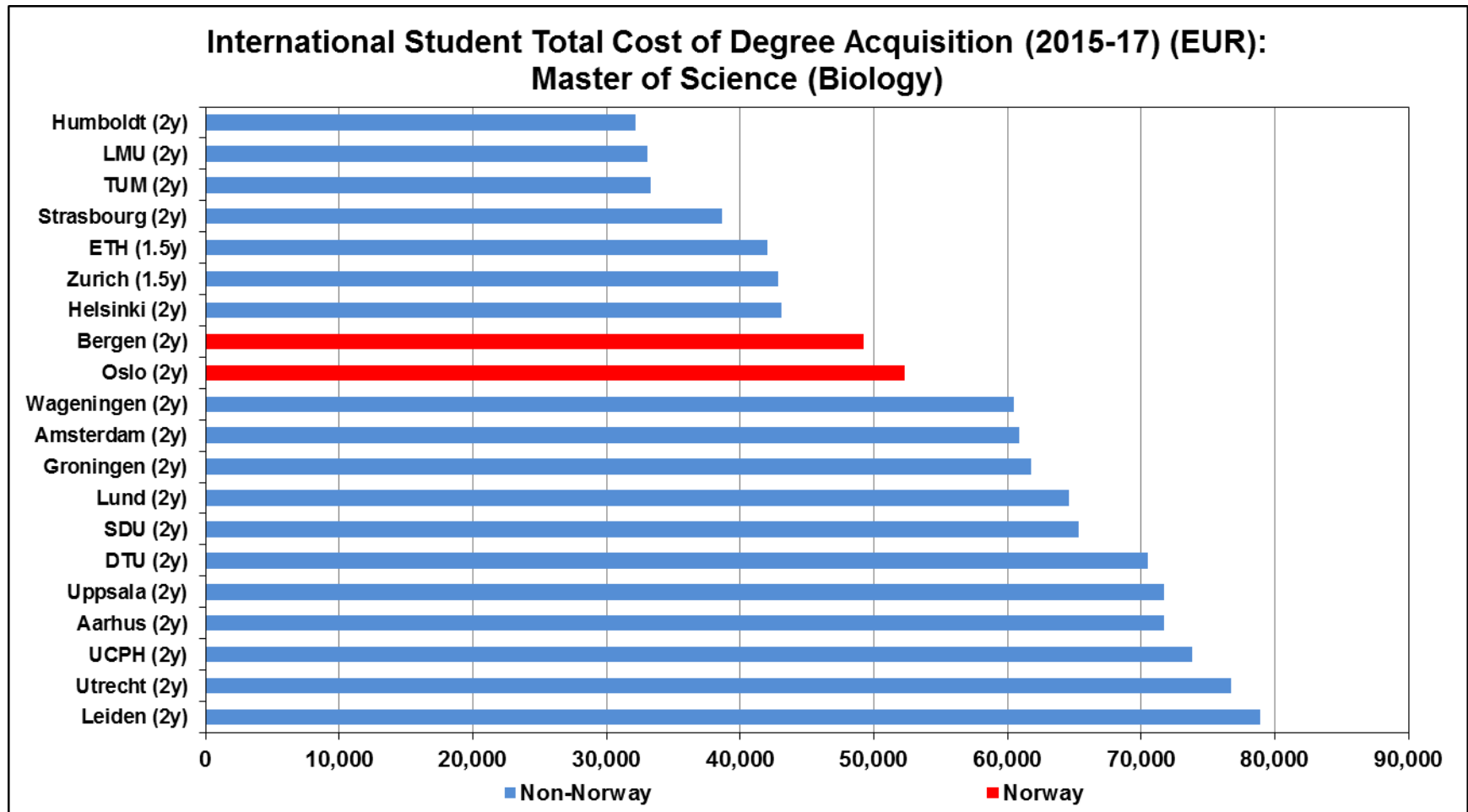
Europe: Range from no fees to nearly Euro 20,000 annually

Notes: Includes universities from Denmark, Finland, France, Germany, the Netherlands, Sweden, and Switzerland.

Source: ICG ITBCD.

INTERNATIONAL TUITION FEES IN COMPARATIVE PERSPECTIVE

Total Cost of Degree Acquisition: Master of Biology Programs



Norway can be costly based on living expenses alone

Notes: Includes universities from Denmark, Finland, France, Germany, the Netherlands, Sweden, and Switzerland.

Source: ICG ITBCD.

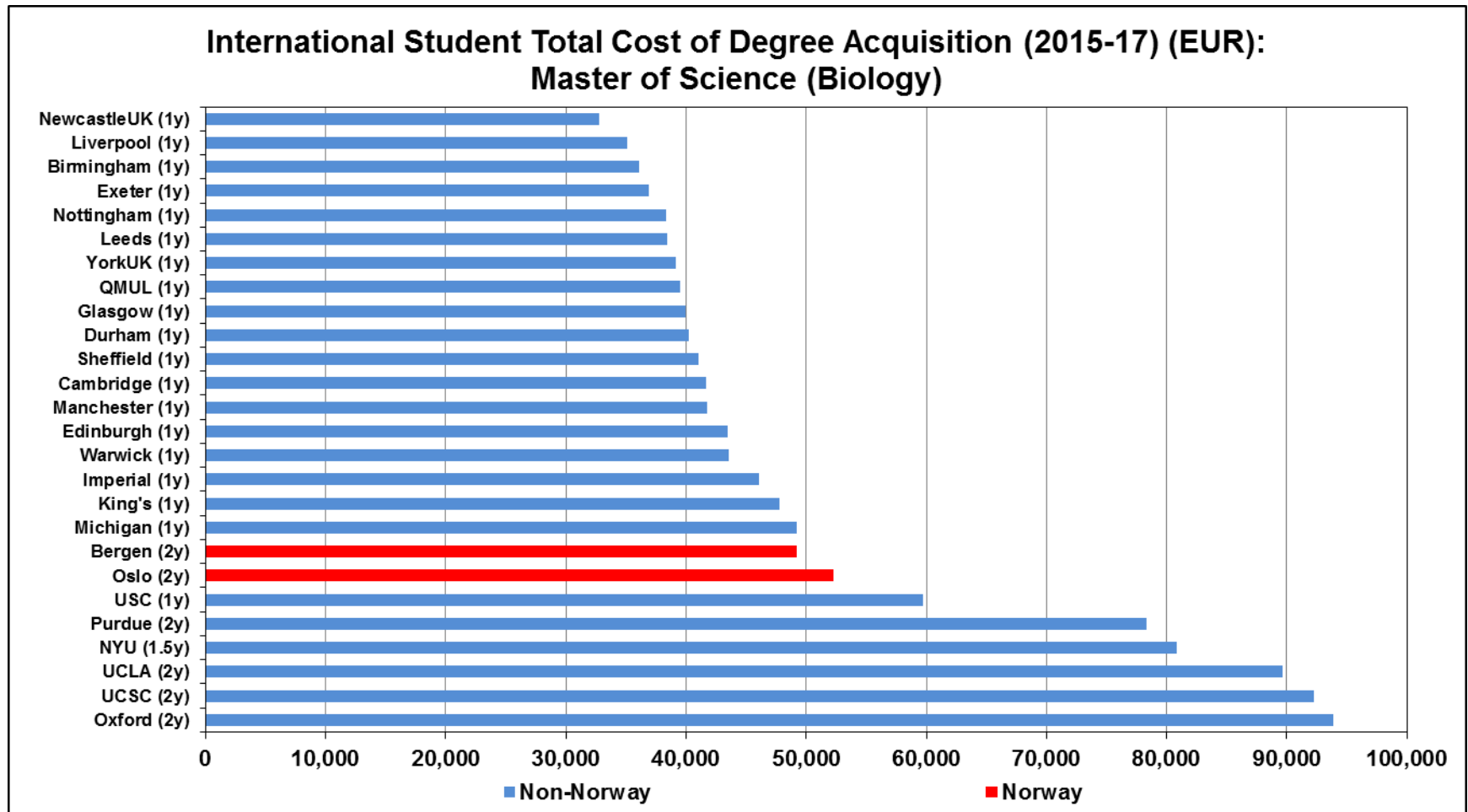
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INTERNATIONAL TUITION FEES IN COMPARATIVE PERSPECTIVE

Total Cost of Degree Acquisition: Master of Biology Programs



1-year Master's in UK and U.S. for less than 2 years with no fees in Norway

Notes: Includes universities from the United Kingdom and the United States.

Source: ICG ITBCD.

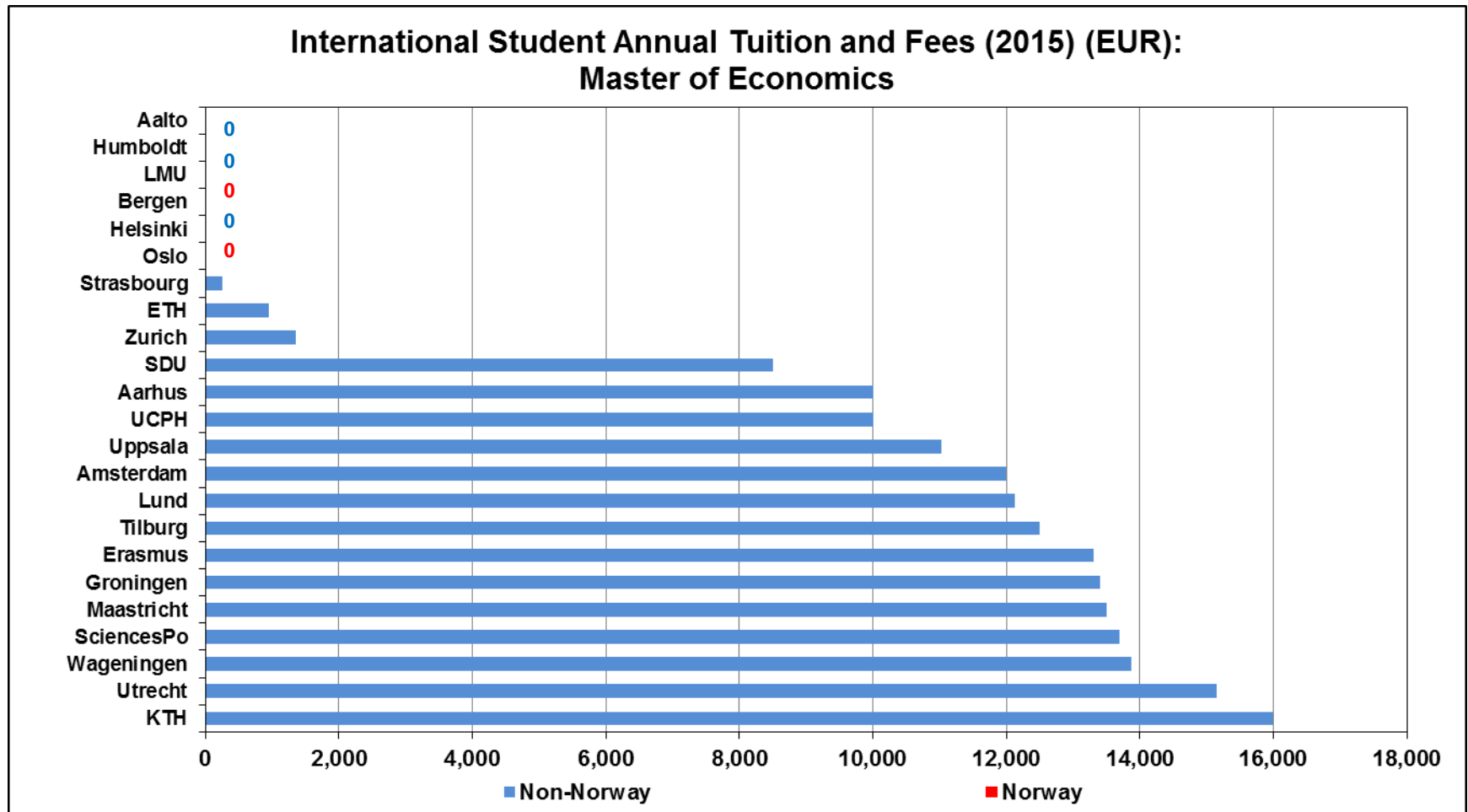
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INTERNATIONAL TUITION FEES IN COMPARATIVE PERSPECTIVE

Annual Tuition Fees Cost: Master of Economics Programs



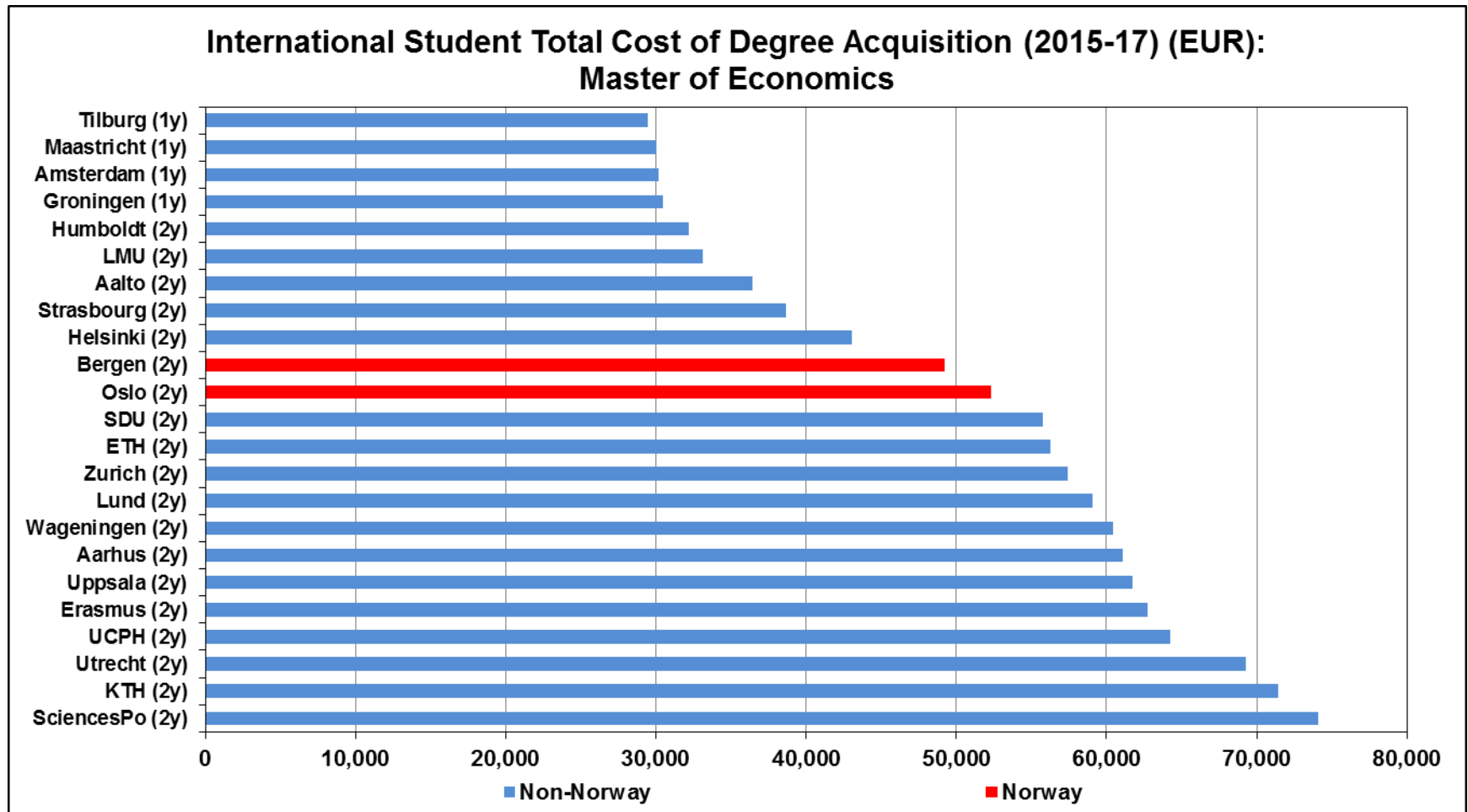
Fees slightly lower for programs outside of the sciences

Notes: Includes universities from Denmark, Finland, France, Germany, the Netherlands, Sweden, and Switzerland.

Source: ICG ITBCD.

INTERNATIONAL TUITION FEES IN COMPARATIVE PERSPECTIVE

Total Cost of Degree Acquisition: Master of Economics Programs



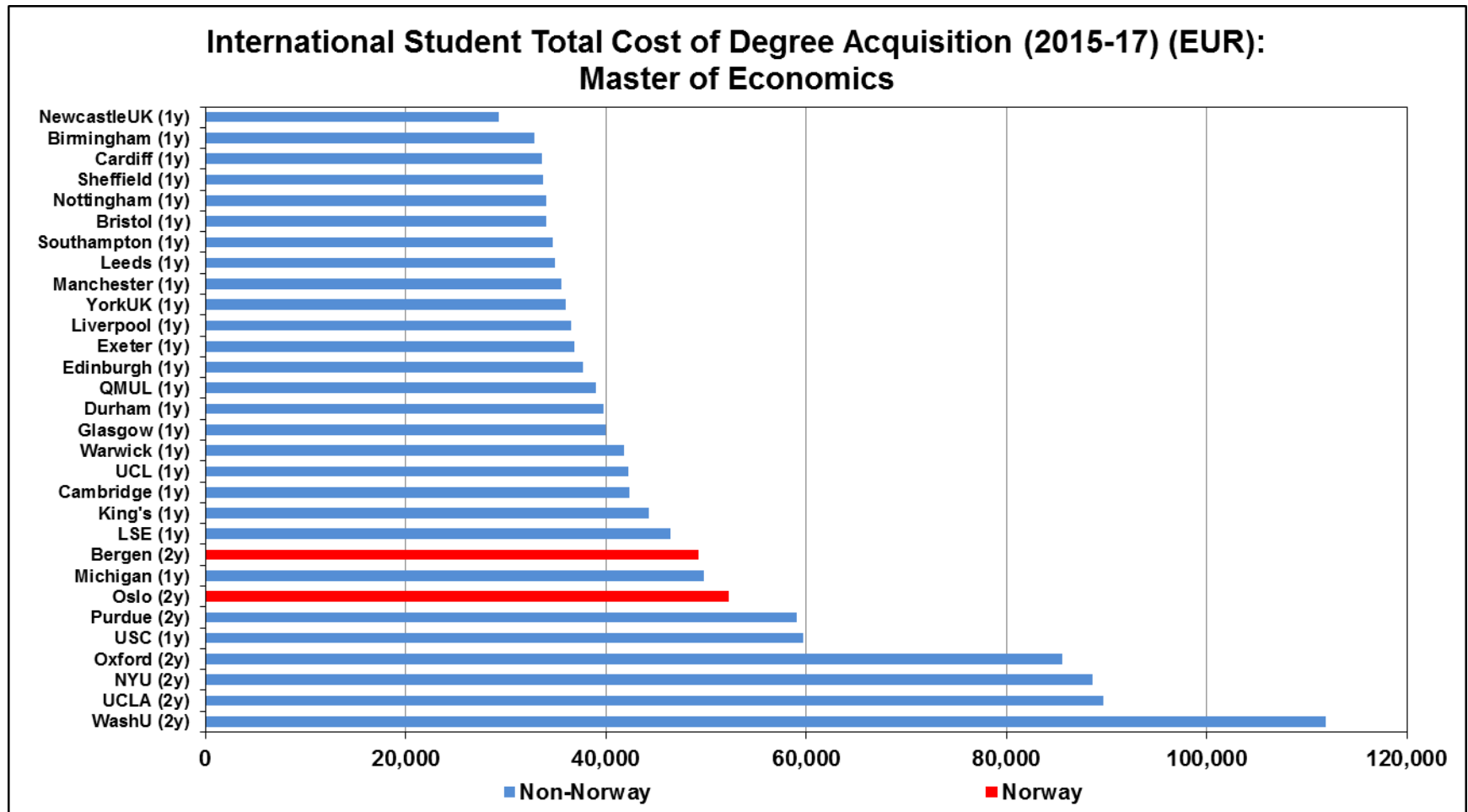
Total cost in Norway exceeds other no-fees countries (Finland, Germany)

Notes: Includes universities from Denmark, Finland, France, Germany, the Netherlands, Sweden, and Switzerland.

Source: ICG ITBCD.

INTERNATIONAL TUITION FEES IN COMPARATIVE PERSPECTIVE

Total Cost of Degree Acquisition: Master of Economics Programs



Highly-ranked UK universities attract students with 1-year programs

Notes: Includes universities from the United Kingdom and the United States.

Source: ICG ITBCD.

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IMPLICATIONS AND RECOMMENDATIONS FOR NORWAY

Overall Trends and Perspectives

- **Norwegian universities have increased international enrollments from 10,389 in 2000 to 26,996 in 2013 (exchange and degree students) – in line with global international mobility increases.**
- **Leading sending countries are almost all European (plus Russia), with China at 5th and the U.S. at 8th leading position.**
- **87.9 percent of international students seek full degrees. This is a high value; country differences (e.g., Germany vs China) are evident.**
- **The lack of tuition fees is an important element of Norwegian universities ability to recruit in light of the very high cost of living: Norwegian Master's are often more expensive than peer degrees.**
- **This does not mean that fees would not be feasible (repositioning). Fees would require connecting programs to clear outcomes, labor market entry, and access to high quality doctoral programs.**

IMPLICATIONS AND RECOMMENDATIONS FOR NORWAY

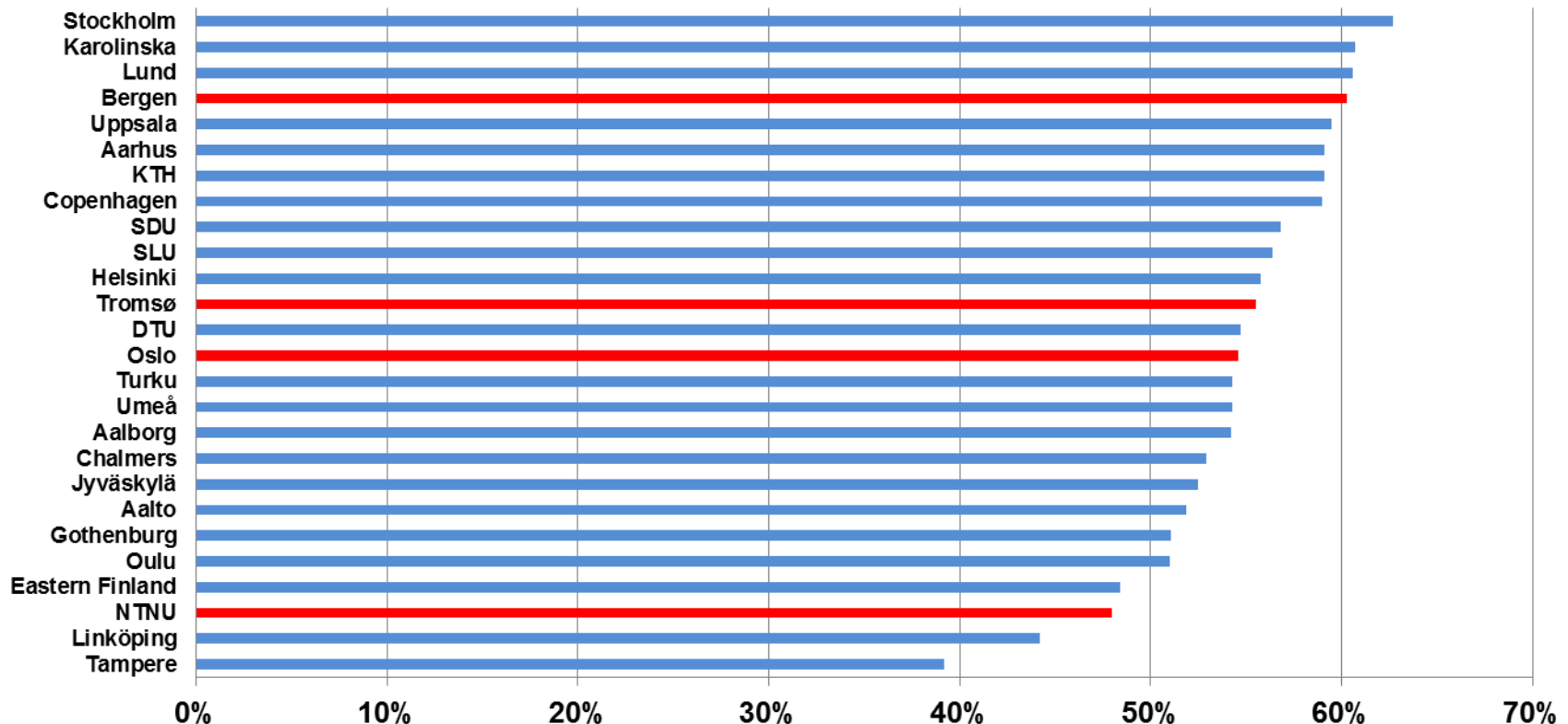
Scale and Mode of International Recruiting

- **Scale.** Large and even some mid-size universities in countries such as Australia, the UK, or Canada recruit more students from countries such as China than all Norwegian universities combined.
- **Marketing.** Marketing alone will not be sufficient to overcome this issue, but cooperation within Norway and with other Nordic universities should be considered.
- **Connections.** Norwegian universities should also connect with universities outside of the Nordic Region (or Europe). The number of joint/dual Master's programs is very low compared to Swedish/Danish peer institutions.
- **Value proposition.** Norwegian universities should work on developing differentiated value propositions for different recruiting segments (from German exchange to Chinese degree students).
- **Program design.** Competing on 2+3 graduate tracks is challenging compared to the UK and the U.S. Innovative models are called for.

IMPLICATIONS AND RECOMMENDATIONS FOR NORWAY

International Collaboration

Leiden Ranking: Proportion of International Collaborative Publications at Nordic Universities (2014)



High international collaboration rates at major Nordic research universities

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What is next for Norwegian universities?

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