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English HE learns its future

At last after many months of delay, and a great deal of leaking and spinning, the White Paper has appeared on the next three years of English higher education. It contains many complicated messages and has very different implications for different categories of university. Overall, the picture is that spending on HE will rise from 4.5 percent to 5.6 percent of gross domestic product and within this total research will take a larger share of the cake, 26.5 percent as opposed to 25 percent. Expenditure on capital (buildings and equipment) will also double during the period.

The research section of the white paper is unashamedly elitist; it implies that the next model of research assessment (which drives the funding decisions) will be less of a blockbuster than the old RAE. In the interim period it calls for even more selectivity in the way funding is allocated by the creation of a new 6* category for the 'super-excellent' research departments. These will receive extra funding in the next three years. (This is an inevitable consequence of the upwards creep of the old ranking system under which in 2002 55 percent of all research active staff were found to be in the 5 and 5* rankings).

The implications for learning and teaching are less dramatic and virtually no growth is planned in students taking the traditional three year full time courses. All expansion, up to the government's target of 50 percent of the age group, will be focussed on two year work-focussed Foundation Degrees. Some 23,000 extra students are expected in this stream by 2006. The other strands in the plans for teaching are a continued drive to emphasise the importance of excellence in teaching and extra funding for up to 70 Centres of Teaching Excellence. There is no slackening in the determination to widen access to students from lower income families and the extent to which universities put effort into achieving their targets in this area will be policed by "an independent Access Regulator" with power to levy fines.

Most of the press reaction has centred on the issue of tuition fees. The White Paper is proposing a Graduate Contribution Scheme instead of the present up-front tuition fees and students will be expected to repay loans to meet their living and tuition costs once their earnings exceed GBP15,000 a year. Universities will be allowed to set their own tuition fees up to a level of GBP3,000. The implications of this are that graduates could leave university, as they do in several other countries, with large debts (up to GBP21,000 is being quoted). Critics point out that this will act a deterrent to the poorer students, the very group that the government is seeking to attract into higher education. Government counters this with the promise of paying the fees of these students up to GBP 1,100 (but not GBP3,000).

The White Paper is an ingenious mix of sticks and carrots with some good things for most categories of institution. However the elite research-intensive institutions stand to gain the most in financial terms. Those most at risk are the post-1992 universities that are already struggling with the challenges of teaching access students with limited funding allocations; unless they can attack the new Foundation Degree market or establish themselves clearly as a centre of teaching excellence.

Source: The Future of Higher Education. Department for Education and Skills. Full text is at <http://www.dfes.gov.uk/highereducation/hestrategy/>

Research commercialisation compared

The Australian Research Council has performed a valuable service by publishing a survey on how research commercialisation compares in universities and research institutes in the USA, Canada and Australia. The survey studied the numbers of US patents and licences issued, the income from them and the number of start up companies in the three countries in 2000-01. These indicators were then related to national research expenditure and GDP.

For every \$US 1 billion in expenditure, 128 patents were issued to institutions in the USA compared with 86 in Canada and 34 in Australia. The USA also received more gross income from the licences that its institutions issued - \$45 million as opposed to \$31 million in Australia and \$17m in Canada. In relation to GDP the USA led in the number of US patents issued and the income from licences, but Canada formed twice as many start-up companies as the USA and Australia.

The survey confirms one conclusion that has long been a feature of university commercialisation – that it does not produce enormous cash dividends from licences; the gross income in Australia was just under A\$100million in 2000. However, the survey found that the longer a university had been managing commercial licences, the greater its chance of getting income from them. It is a long haul - but it pays in the end.

There is always a debate on the best way for a university to manage its commercialisation. At one extreme is the approach just announced by Leeds University which has decided to contract out all its enterprise activities to a small venture capital company. In contrast the Australian survey reports that inventor involvement was an important part of universities' licensing strategies.

Sources: National Survey of Research Commercialisation. www.arc.gov.au THES 10 January 2003, p4.

African Virtual University is reborn

The African Virtual University is about to unveil for donors its third very different business model. Whereas its previous approach was to rely on video transmission of lectures from the USA to learning centres in Africa, the new model is based principally on the web and the internet, offering international degree and diploma programmes, backed up by local tutorial support.

The New AVU's headquarters is based in Nairobi with an African management team. It is using satellite transmission to connect its learning centres with a number of international providers in Australia and Canada who are offering their degree and diploma programs to students enrolled in AVU's partner institutions in Anglophone and Francophone Africa. The international providers are offering their awards and are responsible for the quality of supervision and teaching in all of AVU's partners. They are providing email and web-based support while their African partners deliver face-to-face support.

AVU has equipped its partner's learning centres with the latest PCs and satellite connectivity. In addition, it has created a digital library for staff and students as a portal with access to the most relevant electronic journals and web materials.

Although AVU's plans are ambitious, they are grounded in the experience and quality assurance of their partners and represent a dramatic bid to bridge the digital divide and bring affordable higher education to many thousands of qualified African students.

Source: www.avu.org and discussions with Dr Cheick Diarra, CEO of the AVU and Prof Peter Materu. Director of Education.

New Zealand gaining international ground:

Universities in New Zealand have shown tremendous growth in the recruitment of full time equivalent (fte) international students. The number has increased by 62 percent in the past year with a total of over 13,300 fte international students. China was the country with the largest increase, doubling in number from 3360 in 2001 to 7889 in 2002. Malaysia represented the next highest country of recruitment with 662 students travelling to NZ - down some 200 from 2001. These figures do not include those international students undertaking sub-degree programmes.

Source: NZVCC Electronic News Bulletin Vol. 3 NO. 1, January 2003

The editor, Svava Bjarnason, and author, John Fielden, are always pleased to receive comments on the usefulness and content of this briefing service. News from other Commonwealth countries, which might be of wider interest, is also most welcome. They can be contacted by e-mail on vcnet@acu.ac.uk or by fax on +44 (0)20 7387 2655.

