Postgraduate fees: access all areas?

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As the first cohort of undergraduates facing the new, higher rate of tuition fees go back for their second term at university, the debate over the impact of fees is starting to shift. Building on concerns about access to undergraduate courses, a growing chorus of academics, politicians and university groups have started to worry about the impact of fees on postgraduate higher education.

With good reason: Students from poorer backgrounds are under-represented in postgraduate study, and there is evidence that growing fees above undergraduate level may be a part of the explanation, according to new research published by SERC. Between 2003-04 and 2008-09, postgraduate fees increased by an average of 31.8%: from £3,232 per year to just over £4,261. In the face of budget cuts, the publicly-funded Research Councils have announced significant reductions in the number of supported Masters and PhD students, and there is mounting concern that higher undergraduate fee may feed into much larger increases over the next few years. According to the 1994 Group of Institutions, postgraduate fees rose 11% this year alone.

The findings, which I presented at the Royal Economic Society Annual Conference in March, at Cardiff Business School and at the LSE, draw on a rich new dataset of postgraduate tuition fees by institution, subject and time. Using micro-data from the Higher Education Statistics Agency (HESA), I find that a rise in postgraduate fees of 10 per cent leads to a reduction in the probability of students progressing directly on to a postgraduate degree of between 1.7 per cent and 4.5 per cent.

Progression to postgraduate study – which is crucial for those hoping to pursue academic careers or to access higher level professional positions – is heavily weighted towards students from higher socio-economic backgrounds. Students from managerial or professional backgrounds, for example, account for 60 per cent of those progressing, while students from the lowest socio-economic groups - routine occupations, never worked and long-term unemployed – account for no more than 4 per cent.

Unsurprisingly, I find that first degree results make a big difference. Those earning firsts or 2:1s are over 10% more likely to do further study than those with 2:2s or below. But even after controlling for a wide range of other characteristics, there is worrying evidence of different participation rates among otherwise identical groups. Attendance at a private school prior to university significantly increases the likelihood of progression by between 0.9 per cent and 2.4 per cent. Men are around 3 per cent more likely than women to stay on.

The research makes the case for several important policy changes. Firstly, a systematic effort is needed to monitor all postgraduate tuition fees in the UK. The absence of a database of fees by subject, institution and qualification level has presented a significant barrier for research and is an essential pre-requisite for efforts to effectively monitor access above undergraduate level.

Secondly, there is a need to re-examine how public support for postgraduate study is allocated. The results suggest that students from poorer backgrounds are under-represented in postgraduate study and that the jump from undergraduate to postgraduate study presents an additional barrier. Policy makers should reconsider the funding arrangements for postgraduate study – and in particular, the extent of public support for students from low income backgrounds who aspire to study beyond undergraduate level.