

# **The consequences of different cost-sharing scenarios in Higher Education**

## **Results for Germany**

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# Results of the microeconomic analysis

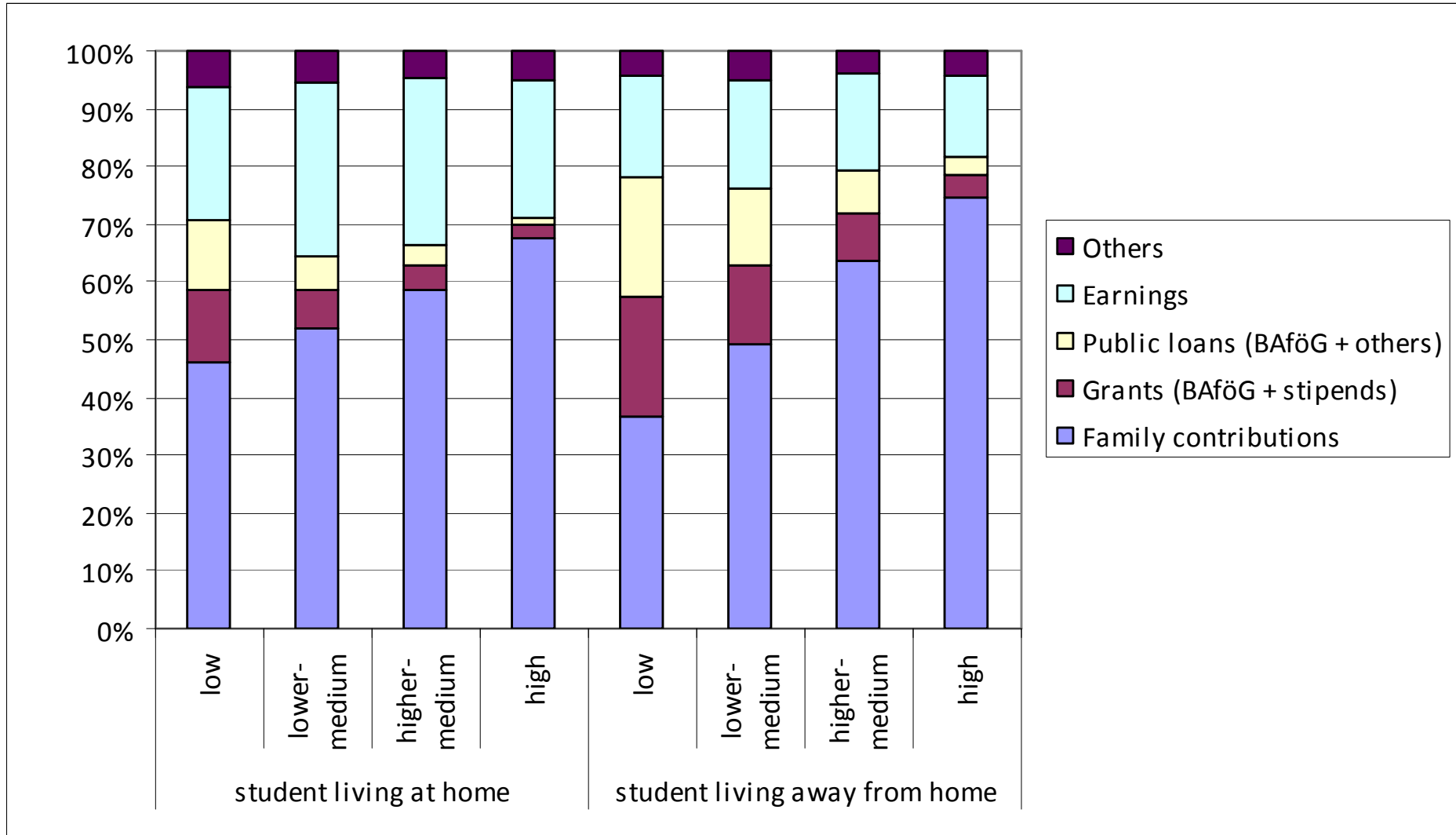
## Gross income of different income groups of families with children

	Income range (in €)	Median income	Observations
Lowest income group	0 < 30,792	20,472	1,265
Medium income group	30,792 < 46,097	38,848	1,265
High income group	46,097 < 64,371	54,459	1,265
Highest income group	≥ 64,371	83,205	1,265

## Mean monthly income and expenditure components of students by living situation and SES (with significance level)

SES F	Student living at home					Student living away from home				
	low	lower med.	higher med.	high	F	low	lower med.	higher med.	high	F
Income categories										
Grant	66.12	35.54	22.05	11.00	60.13 ***	144.62	96.18	57.40	28.05	355.67 ***
Public loan	61.80	33.65	18.84	7.49	82.89 ***	142.49	92.15	51.37	22.07	481.12 ***
Earnings	123.85	169.93	153.12	125.25	8.69 ***	124.66	131.30	120.32	104.33	8.93 ***
Family contr.	245.90	295.05	314.01	360.09	13.12 ***	258.81	345.20	454.72	557.21	444.38 ***
Other	32.96	31.37	25.70	27.45	0.51	29.43	35.44	28.49	32.38	1.57
Expenditure categories										
Cost of study	59.31	58.36	55.26	54.46	2.19 *	53.46	53.68	54.77	55.50	1.5
Maintenance	394.79	430.44	393.53	398.44	2.04	575.57	582.27	594.11	622.89	22.54 ***

## Composition of students' reported income by SES and living situation (in %)



## *Mean yearly public subsidies and income and expenditure of students by social background and living situation*

Socio-economic status	Student living at home			Student living away from home		
	Income incl. direct non-cash support	Expenditure incl. direct non-cash support	Public subsidies	Income incl. direct non-cash support	Expenditure incl. direct non-cash support	Public subsidies
Low	8,301	7,383	4,669	10,334	9,482	5,720
Lower medium	8,720	7,799	4,527	10,337	9,565	5,650
Higher medium	8,338	7,319	4,330	10,481	9,720	5,122
High	8,309	7,368	4,523	10,862	10,074	5,135

## *Public subsidies as share of student income by students' social background and living situation*

Socio-economic background	Student living at home			Student living away from home		
	Income incl. direct non-cash support	Public subsidies	Public subs. / all income	Income incl. direct non-cash support	Public subsidies	Public subs. / all income
Low	8,301	4,669	56%	10,334	5,720	55%
Lower medium	8,720	4,527	52%	10,337	5,650	55%
Higher medium	8,338	4,330	52%	10,481	5,122	49%
High	8,309	4,523	54%	10,862	5,135	47%

## Different forms of public subsidies by social background and living situation (in € for the year 2006; rounding differences may occur)

Support	Student living at home				Student not living at home			
	Low SES	Lower medium SES	Higher medium SES	High SES	Low SES	Lower medium SES	Higher medium SES	High SES
Grants	793	427	265	132	1,735	1,154	689	337
Loan subsidy	94	55	33	13	203	142	81	35
Indirect support (excl. child benefit)	0	264	251	597	0	572	571	982
Child benefit	1,848	1,848	1,848	1,848	1,848	1,848	1,848	1,848
Health care subsidy	1,512	1,512	1,512	1,512	1,512	1,512	1,512	1,512
Subsidy for facilities and transportation	422	422	422	422	422	422	422	422
Total	4,669	4,527	4,330	4,523	5,720	5,650	5,122	5,135

## *Findings of the microeconomic analysis*

- Total income reported by students is nearly the same regardless of SES
- However, the composition of income differs considerably by SES (e.g. students from high SES are largely supported by parents, students from low SES have to rely more on public support)
- Share of public subsidies in student income is very similar for all groups
- Different types of support items (partially contradictory to each other)
  - flat-rate support items (e.g. subsidies for facilities and transportation)
  - subsidies reducing differences by SES (e.g. means-tested BAföG)
  - subsidies increasing differences by SES (e.g. tax exemptions)

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