Appendix 2: Full country case studies

England

System overview

In England, 430 higher education providers are registered with the Office for Students (OfS), the higher education regulator, including 130 universities and 215 further education colleges that offer higher education courses. Established in 2018, the OfS promotes equality, monitors quality, protects student interests, and provides funding to institutions for high-cost courses. UK Research and Innovation is the main government funding for research. As a result of devolution in the UK, there are different approaches to higher education across the four UK 'home nations', particularly with respect to fees and funding. However, some relevant data are reported only at the UK level; we thus refer to both England and the UK in this section.

Universities in the UK are stratified by prestige. One proxy is often considered membership of the Russell Group. This consists of 24 research-intensive public universities who have significant power to lobby on behalf of their membership, particularly because the group contains some of the richest higher education institutions in the UK. In 1992, 35 polytechnics were granted university status: today these 'post-1992' universities have stronger regional links, a commitment to widening participation, and a greater emphasis on teaching and employability. The 1997 Dearing Report recommended the introduction of tuition fees, and these were then raised to £9000 in 2012 by the Conservative and Liberal Democrat coalition government. Since that time, this funding stream for universities has been steadily eroded by inflation, and in 2024, the OfS estimated that up to 70% of universities were facing financial deficits as a result. All students are entitled to apply for income-contingent loans to cover tuition costs, and some students can apply for a means-tested maintenance loan. It was also announced in September 2025 that maintenance grants will be re-introduced for students in England from low-income households and

studying 'priority' subjects.[1] UK HE expenditure as a percentage of GDP is also higher than the average, 2.1% compared to 1.5%.[2]

Governance of the higher education system in England largely falls to the OfS. Established in 2018 as the higher education regulator, the OfS is an arms-length government body. In England, the OfS provides funding to institutions for teaching, and UK Research and Innovation provides significant funding for research.

In 1999, former Prime Minister Tony Blair set an ambitious target of 50% of young people to enter university, a percentage that was realised in 2017 for the first time.[3] In September 2025, the government set a new target – for two-thirds of young people to participate in 'higher-level learning' (academic, technical or apprenticeships) by the age of 25. The most recent OECD data indicate that, across the UK, 53% of adults aged between 25 and 64 have some form of tertiary education qualification; this figure is significantly higher than the OECD average of 41%.[4] In terms of educational outcomes, while the relative earnings for those with tertiary education are higher than those who have only upper secondary qualifications in the UK, the magnitude of this difference is lower than the OECD average.[5]

Widening participation: access and outcomes

In the UK, there is still a notable gap in higher education enrolment between those from low and high socio-economic backgrounds. For example, the difference in the progression rate to higher education for those eligible for free school meals (a commonly used proxy for disadvantage) and those not eligible was 28.8 percentage points in 2022-23 – the highest level recorded.[6] This inequity is at its highest at the most

[1] Department for Education and The Rt Hon Bridget Phillipson MP. (2025). Targeted maintenance grants for students to be reintroduced. Gov.uk. Available at: https://www.gov.uk/government/news/targeted-maintenance-grants-for-students-to-be-reintroduced

[2] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[3] Montacute, R. and Cullinane, C. (2023) *25 Years of University Access: How access to higher education has changed over time,* Sutton Trust. Available at: https://www.suttontrust.com/our-research/25-years-of-university-access/

[4] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[5] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[6] UK Government (2024) *Widening participation in higher education*. Available at: https://explore-education-statistics.service.gov.uk/find-statistics/widening-participation-in-higher-education/2022-23

elite institutions.[7] Inequalities persist throughout higher education where more deprived students are less likely to receive the best grades at university.[8] Graduates from more prestigious institutions also have clear labour market advantages when compared to graduates from less prestigious institutions.[9] Such inequalities are recognised by both the government and individual higher education institutions: the sector commits significant resources to widening participation activities. The Office for Students requires universities to produce Access and Participation Plans.

In addition, over the past few decades, there have been several high-profile initiatives addressing higher education access inequalities, including the work of NEON (National Educational Opportunities Network) and charities such as the Sutton Trust. The Office for Students has played an important role in coordinating such action.[10] Contextual admissions is an increasing focus for both academics and practitioners in the English higher education space; this refers to policies that enable 'applicants with certain socio-demographic characteristics [to] be offered marginally lower entry conditions'.[11] The results of such approaches have been promising, with evidence that they not only widen access to highly selective institutions but also positively impact outcomes. At Durham University, for example, 'contextual offer making … has been a success, helping to widen participation without compromising student success in absolute terms'.[12]

Student funding and finance

Students in England are required to pay tuition fees for any degree programme onto which they enrol; the amount charged, though, has changed over time. Until the Dearing Report of the late 1990s, higher

[7] Boliver, V. (2013) How fair is access to more prestigious UK universities? *British Journal of Sociology,* 64, 2, 344-364. https://doi.org/10.1111/1468-4446.12021; Jerrim, J. (2013) Family background and access to 'high status' universities, *The Sutton Trust*. Available at: https://www.suttontrust.com/wp-content/uploads/2019/12/john-jerrim-report-final-4.pdf

[8] HESA (2023) *Degree attainment by socioeconomic background: UK, 2017/18 to 2020/21.* HESA. Available at: https://www.hesa.ac.uk/news/18-04-2023/ah2304-degree-attainment-socioeconomic-background

[9] De Vries, R. (2014) *Earning by Degrees: Differences in the career outcomes of UK graduates,* The Sutton Trust. Available at: https://www.suttontrust.com/wp-content/uploads/2019/12/Earnings-by-Degrees-REPORT-1.pdf

[10] Harden-Wolfson, E. (2024) *Reaching for the right to higher education: evidence from 15 countries,* UNESCO. Available at: https://unesdoc.unesco.org/ark:/48223/pf0000392154

[11] Schulte, J., Benson-Egglenton, J. (2024) Evaluating the Impact of Contextual Offers in a Highly Selective Institution: Results From a Mixed-Methods Contribution Analysis. *Higher Education Quarterly,* 79, 1, e12580. https://doi.org/10.1111/hequ.12580 p.1

[12] Boliver, V. and Jones, K. (2025) Evaluating contextual offer making at Durham University, *Higher Education Quarterly,* 79, 2. https://doi.org/10.1111/hequ.70025 p.1

education was free for students and funded solely by the state; in the wake of the report, fees were introduced. Though fees were capped at around £1,000 per year at this point, they increased to £3,000 per year in 2006, and then to £9000 per year in 2012. This process signifies a shifting model of financing in the higher education system, with the burden moving from the state to the student; a process which was controversial at the time of each increase of the fee cap. Since the price of higher education increased so drastically in a short space of time, the government changed the way in which the student loans system worked in 2006 to a loan system where students pay back any money owed once they start earning. Only once graduates have started to earn over a particular threshold are they expected to begin repayments; money is taken directly from the pay of these workers. Currently, loans are written off once a graduate turns 65, or 30 years after the April they were first due to pay (for Plan 2 Loans). In addition to tuition fee loans, some students are eligible for a maintenance loan. This is awarded to students depending on their 'household income' which typically refers to the income of a student's parents/ guardians and can be up to a maximum of £13,762 (for the academic year 2025-26).[13]

In sum, the UK spends above the OECD average on higher education institutions (per student) at $27,234, compared to the average of $14,077. Indeed, the expenditure on education institutions as a percentage of GDP is also higher than the average, at 2.1% compared to 1.5%.[14]

Relationship between higher and technical routes

Vocational education in England is predominantly facilitated by 157 further education colleges, which offer programmes such as higher national certificates, higher national diplomas, A Levels, Technical Levels, GCSEs, BTECs, and Cambridge technical qualifications, among others (Association of Colleges, n.d.). There is a lack of coordination at the current moment in time, though, which has led to the claim that 'post-16 E&T [Education and Training] is fragmented, confusing, and hard to navigate for employers and

[13] UK Government (2025) *Student finance for undergraduates*. Available at: https://www.gov.uk/student-finance/new-fulltime-students

[14] OECD (2024a) *Education at a Glance 2024*, Paris, OECD Publishing. https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

young people alike'.[15] The size of the further education and training sector is large, with 809,540 students and 203,000 staff across the country.[16]

One of the most significant changes to the governance structure of the further education sector in recent history was the Further and Higher Education Act of 1992. Not only did this act permit 35 polytechnics to gain university status (see above), it brought into being two funding agencies: the Higher Education Funding Council for England (HEFCE) and the Further Education Funding Council for England (FEFC). Whilst HEFCE remained in operation until 2018 and the introduction of the Office for Students, FEFC existed for a much shorter time, being replaced by the Learning and Skills Council in 2001, which was, in turn, only in existence until 2010. Subsequent agencies – such as the Skills Funding Agency – have also been short-lived, with responsibilities ceded to the Department for Education. More recently, the establishment of Skills England represents a renewed effort to effectively regulate the vocational education system, and work 'with partners to create better skills for better jobs, enabling growth and opportunity'.[17] Robson et al. point to the consequences of this instability of governance, and call for a move from a market philosophy towards greater cooperation. [18]

Alongside changes to governance, there have also been changes to qualifications. One of the newest developments has been the introduction of 'Technical Levels', which were envisaged as being an option for students, post-16, to gain practical and knowledge-based learning alongside more traditional choices such as apprenticeships and A Levels. However, these have been criticised for not being suitable for many learners and a poor substitute for the qualifications they have replaced.[19]

[15] Robson, J., Xie, X., Neagu, M. and James Relly, S. (2025) *From Competition to Coordination: post-16 education and training in the UK - Industry Case Studies,* London, Nuffield Foundation. https://skope.ox.ac.uk/wp-content/uploads/2025/04/From-Competition-to-Coordination-Final.pdf

[16] UK Government (2025) *Further education and skills*. Available at: https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills/2024-25

[17] Skills England (2025) *What we do*. Available at: https://www.gov.uk/government/organisations/skills-england

[18] Robson, J., Sibieta, L., Khandekar, S., Neagu, M., Robinson, D. and James Relly, S. (2024) *Comparing Policies, Participation and Inequalities across UK post-16 Education and Training,* London, Nuffield Foundation.

[19] Maris, R., Khandekar, S., Robinson, D. (2024) A quantitative analysis of T level access and progression, Education Policy Institute. Available at: https://epi.org.uk/wp-content/uploads/2024/11/T-Level-Report-final_1.pdf

Role of higher education in intergenerational mobility

Higher education plays a significant role in intergenerational social mobility in the UK, and this has benefited over the past 20 years from massification and expansion. The PIAAC analysis, conducted for this report, suggests that higher education is the primary mechanism for upward social mobility for those from low socio-economic backgrounds. The analysis shows that in the UK, degree attainment among those with non-graduate parents rose 17% (from 25% to 42%) between 2012 and 2023. However, because the graduate pay uplift fell during this period, relative mobility remained static. There are also significant differences in access to more prestigious institutions, as reported in other studies.[20]

There have been a series of national strategies attempting to level the playing field of higher education in the UK (which include the introduction of Access and Participation Plans, Aimhigher, and the National Collaborative Outreach Project). In addition, the Office for Students has been argued to have played an important role in coordinating such action.[21] The impact of such initiatives has been attenuated by the increased marketisation of the system. Institutional hierarchies are made more prominent by marketisation and increased competition within the higher education system. These have the potential to reinforce existing social class divides and stymie possible social mobility through higher education.[22]

United States of America

System overview

The US higher education system was one of the first to undergo rapid expansion. In the 1960s and 70s, with economic growth and increasing public demand for higher education, the system 'massified'.[23] Each of the

[20] Boliver, V. (2013) How fair is access to more prestigious UK universities? *British Journal of Sociology,* 64, 2, 344-364. https://doi.org/10.1111/1468-4446.12021; Sutton Trust (2024) *Fair opportunity for all: A roadmap for the next government to tackle educational inequality and improve social mobility*. Available at: https://www.suttontrust.com/wp-content/uploads/2024/05/Fair-opportunity-for-all-1.pdf

[21] Harden-Wolfson, E. (2024) *Reaching for the right to higher education: evidence from 15 countries,* UNESCO. Available at: https://unesdoc.unesco.org/ark:/48223/pf0000392154

[22] Bathmaker, A-M., Ingram, N., Waller, R. (2013) Higher education, social class and the mobilisation of capitals: recognising and playing the game, *British Journal of Sociology of Education,* 34, 5-6, 723-743. https://doi.org/10.1080/01425692.2013.816041; Boliver, V. (2015) Are there distinctive clusters of higher and lower status universities in the UK? *Oxford Review of Education,* 41, 5, 608-627. https://doi.org/10.1080/03054985.2015.1082905

[23] Gumport, P., Iannozzi, P., Shaman, S. and Zemsky, R. (1997) *Trends in United States Higher Education from Massification to Post Massification,* Stanford, CA, National Center for Postsecondary Improvement. Available at: https://web.stanford.edu/group/ncpi/documents/pdfs/1-04_massification.pdf

50 states has considerable power to shape its own system. Historically, the federal Department of Education provides oversight and substantial funding for student aid and research[24]. Many of these funding streams are now under threat from the Trump administration.

The system is structured along two main axes[25]: first, in relation to institutions' mission and the level of degree they award and, second, whether they are publicly or privately governed:

- Mission and degree level: about half of the US higher education system provides vocational preparation through either two-year associate degrees or non-degree certificates (and can also act as a stepping stone to longer degrees). The other half provides bachelor and graduate degrees in four-year colleges and universities.

- Public or private governance: public institutions are overseen by a governing body whose members are either directly elected, or appointed by the state's governor and/or legislature. Private not-for-profit institutions have governing bodies that are 'self-perpetuating' (i.e. current members select new members), while for-profit institutions are either controlled by individual entrepreneurs or have boards similar to large corporations.

Concerns over the quality of education provided by for-profit institutions have been raised by policymakers over recent decades with, for example, the Obama administration increasing financial and regulatory scrutiny of the sector. Nevertheless, such moves to increase oversight have been limited in their success.[26]

As public institutions tend to enrol larger numbers of students than their private sector equivalents, the distribution of students is substantially different from the distribution of institutions. In 2019, for example, 78.5%

[24] American Council on Education (2019) *US Higher Education. A Brief Guide*, Washington DC, American Council on Education. Available at: https://www.acenet.edu/Documents/brief-guide-to-US-higher-ed.pdf

[25] A more detailed typology of US higher education institutions is provided by the Carnegie Classification of Institutions of Higher Education, which was established in 1970.

[26] Finkelstein, M. and Kelchen, R. (2020) Higher education systems and institutions, United States of America, in: Amaral, A. et al. (eds) *The International Encyclopaedia of Higher Education Systems and Institutions* Springer. pp.1597-1609.

of undergraduate students were enrolled in public institutions, 17% in private non-profit institutions, and only 4.6% in private for-profits.[27]

Institutions differ considerably in their prestige: four-year institutions are typically considered more prestigious than their two-year equivalents. Among the former group, the 'Ivy Plus' is considered the most prestigious – a group made up of the eight 'Ivy League' private research universities (Brown, Columbia, Cornell, Dartmouth, Harvard, Pennsylvania, Princeton and Yale) plus the University of Chicago, Duke University, the Massachusetts Institute of Technology and Stanford University.[28]

About half of US higher education institutions provide vocational preparation through either two-year associate degrees or non-degree certificates, acting as a stepping stone to full degrees. The other half provides bachelor and graduate degrees in four-year colleges and universities. In 2019-20, two thirds of almost 4000 institutions awarded four-year undergraduate degrees. Around 40% were public institutions.

Expenditure on tertiary education (including research and development) as a proportion of GDP is higher than the OECD average – at 2.3% compared to an OECD average of 1.5%. This represents 3.4% of total government expenditure, compared to an OECD average of 2.7%.[29]

The US has high levels of participation. In 2022, 45% of those completing high school immediately enrolled in 4-year institutions and 17% in 2-year institutions.[30] In 2023, 51% of 25-64 year-olds in the US had some form of tertiary education, just above the OECD average of 41%.[31] Nevertheless, the US position relative to other nations has declined: the proportion of

[27] Pell Institute (2022) *Indicators of Higher Education Equity in the United States. 2022 Historical Trend Report,* The Pell Institute. https://www.pellinstitute.org/pell-institute-indicators-2022/

[28] Chetty, R, Deming, D. and Friedman, J. (2023) *Diversifying Society's Leaders? The determinants and causal effects of admission to highly selective private colleges* (NBER Working Paper no. 31492), Cambridge, MA, National Bureau of Economic Research. https://www.nber.org/papers/w31492

[29] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[30] National Centre for Education Statistics (2024) *Report on the Condition of Education 2024* Available at: https://nces.ed.gov/pubs2024/2024144.pdf

[31] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

the population aged 25-34 with a bachelor's degree fell from second among OECD countries in 2000 to 16th in 2020.[32]

Widening participation: access and outcomes

The 'California model' was once heralded as an important initiative for widening participation to higher education in the US, facilitating progression from community colleges to more prestigious 4-year institutions.[33] In practice, there is robust evidence to show that, despite high participation rates, inequalities of access remain. For example, in 2020, among those who graduated from high school, higher education enrolment rates were 85% for those from the highest family income quartile, compared with 59% for those in the lowest quartile.[34]

Despite the pervasiveness of the 'meritocratic ideal' in the US, mobility between institutional types has been very limited, and access to the most prestigious universities is highly unequal. For example, in 2019, 63% of undergraduates enrolled on degree programmes who received a Federal Pell grant or other grant (a marker of coming from a low-income background) were attending a 4-year institution. In contrast, for those not in receipt of such a grant, 79% attended a 4-year institution rather than a 2-year one.[35] Children whose parents are in the top 1% of the income distribution are 77% more likely to attend an Ivy League college that those whose parents are in the bottom income quartile.[36] One expert interviewee commented, 'The challenge in the United States has been that it's very difficult for people from low socio-economic origins to get into the best colleges' (US Expert 1).

These inequalities are partly explained by differences in academic attainment between social groups, impacted by disparities in schools, neighbourhoods and other environmental factors. However, inequalities persist even among those with a similar level of attainment. Indeed, high-

[32] Pell Institute (2022) *Indicators of Higher Education Equity in the United States. 2022 Historical Trend Report,* The Pell Institute. Available at: https://www.pellinstitute.org/pell-institute-indicators-2022/

[33] Douglass, J. (2000) *The California Idea and American Higher Education,* Stanford, CA, Stanford University Press.

[34] Pell Institute (2022) *Indicators of Higher Education Equity in the United States. 2022 Historical Trend Report,* The Pell Institute. Available at: https://www.pellinstitute.org/pell-institute-indicators-2022/

[35] Duta, A., An, B. and Iannelli, C. (2018) Social origins, academic strength of school curriculum and access to selective higher education institutions: evidence from Scotland and the USA, *Higher Education*, 75, 769-784. https://doi.org/10.1007/s10734-017-0166-5

[36] Chetty, R., Friedman, J., Saez, E., Turner, N. and Yagan, D. (2017) *Mobility report cards: the role of colleges in intergenerational mobility* (NBER Working Paper no.23618), Cambridge, MA, National Bureau of Economic Research. Available at: https://www.nber.org/papers/w23618

income students are 34% more likely to attend selective colleges than low-income students with the same test scores[37]. This seems to be due both to the actions of parents, with those occupying advantaged positions working to secure their children's access to prestigious colleges and universities and of institutions, in giving preferential treatment to children of alumni, and placing weight on non-academic factors such as sporting and musical achievements.

There are also differences in higher education completion rates by family background.[38] For those enrolled in some form of tertiary education in 2012, only 63% of those whose parents had less than upper secondary education had completed their studies by 2017 – compared to 83% of their peers who had at least one parent with a tertiary level qualification.[39] While these completion rates are higher than the OECD average, the 20 percentage point gap between groups is higher than the OECD average gap of 14%.

Research has documented the struggles faced by students from underrepresented families in securing good jobs. Hurst highlights the differences in immediate post-graduation destination by family background. She argues that, even having attended the same type of institution, students' pathways continue to be shaped by the different family-based material resources to which they have access.[40]

Student funding and finance

Overall, US expenditure on tertiary education (excluding research and development), per student, is considerably higher than the OECD average – at $31,610, compared to $14,077. Nevertheless, the US higher education system has a complex and highly differentiated tuition and fee structure. As the American Council on Education points out, 'Because tuition and fees vary by the type of college or university, the cost difference between a public and private institution, or between an institution with highly selective admissions practices and one that is less selective, can be

[37] Chetty, R., Friedman, J., Saez, E., Turner, N. and Yagan, D. (2020) Income segregation and intergenerational mobility across colleges in the United States, *The Quarterly Journal of Economics*, 135, 3, 1567-1633. https://doi.org/10.1093/qje/qjaa005

[38] Pell Institute (2022) *Indicators of Higher Education Equity in the United States. 2022 Historical Trend Report,* The Pell Institute. Available at: https://www.pellinstitute.org/pell-institute-indicators-2022/

[39] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[40] Hurst, A.L. (2018) Classed outcomes: how class differentiates the careers of liberal arts college graduates in the US, British Journal of Sociology of Education, 39, 1075-1093. https://doi.org/10.1080/01425692.2018.1455495

significant'[41] – with community colleges, for example, typically charging significantly less than highly selective private institutions (differences of around $35,000 per annum are not unusual). Typically, public institutions charge less than their private equivalents, but also differentiate between students based on residency status: those attending a public 'out-of-state' institution often have to pay higher tuition fees because they and/or their families have not made any prior contribution through their taxes.[42]

Despite the differences in cost between institutions and courses, in general, the cost of higher education in the US has increased significantly over recent years. Indeed, for students from families in the lowest income quartile, the Pell Institute reports that the cost of attending higher education represents 94% of average family income – even when grants and fee discounts are taken into consideration. Moreover, 20% of American undergraduate students face annual costs that are higher than their annual family incomes.[43] The costs incurred by students are also high relative to other nations. Those enrolled in private institutions for bachelor's and master's programmes have the highest average tuition fees across OECD countries, while those in public institutions (in their own state) have the second highest fees. In 2024, bachelor's tuition fees, across the US, were an average of $9596 a year.[44]

Although the cost of attending higher education in the US is high, many students are able to access financial support: 80% of students receive some form of funding from public grants, scholarships or loans (public or government-guaranteed). Indeed, the US can be considered a 'high-cost, high-aid' system, and financial aid is one of the few areas where the federal government plays a significant role, providing funding, regulating and administering loans, and providing policy oversight in this area.

As with tuition fees, the system of student aid is complicated but can be understood, broadly, as being made up of both 'gift aid' and 'self-help aid'. Gift aid is a form of financial support that reduces the cost of attending higher education and does not require repayment. This includes grants and

[41] American Council on Education (2019) *US Higher Education. A Brief Guide*, Washington DC, American Council on Education. p.16

[42] American Council on Education (2019) *US Higher Education. A Brief Guide*, Washington DC, American Council on Education. https://www.acenet.edu/Documents/brief-guide-to-US-higher-ed.pdf

[43] Finkelstein, M. and Kelchen, R. (2017) Higher Education Systems and Institutions, United States of America. In P. N. Texeira and J. Shin (Eds.), *Encyclopedia of International Higher Education Systems and Institutions.* Springer.

[44] OECD (2024) *Country note: United States*, Education at a Glance 2024, Paris, OECD Publishing. https://www.oecd.org/en/publications/education-at-a-glance-2024-country-notes_fab77ef0-en/united-states_e08bedd8-en.html

scholarships provided by the government, individual institutions and private donors. Grants typically target students in the most financial need, while scholarships tend to be merit-based – offered, for example, in relation to high academic attainment and/or prowess in sports, music or the arts. Self-help financial aid comprises various sources that enable students to pay for higher education themselves, and includes the following:

- Federal work-study scheme: this enables students to have a part-time job on the college or university campus where they are enrolled. Their wages go towards the cost of tuition fees and living expenses.

- Federal loans: these are either subsidised or unsubsidised. Subsidised loans are available to students with demonstrated financial need, and the federal government pays the accrued interest while the student is in higher education. Unsubsidised loans have fewer eligibility criteria, but the student pays interest throughout the loan period.

- Private loans

- Tax benefits: these include tax credits for higher education expenses and tax protected education savings accounts.

- Benefits for specific groups of students: including those who have served in the military and who were in the foster care system.45

Nevertheless, despite these forms of support across the US student debt burden is significant, and also unevenly experienced - falling more heavily on students of colour and those from low-income backgrounds.[46] Indeed, the American Council on Education (2018) has commented:

"Policymakers, higher education professionals, and the public widely acknowledge that the federal financial aid system needs improvement, especially with regard to the application and evaluation process that qualifies students for

[45] American Council on Education (2019) *US Higher Education. A Brief Guide*, Washington DC, American Council on Education.

[46] Zaloom, C. (2019) *Indebted. How Families Make College Work at Any Cost*, Princeton, NJ, Princeton University Press.

assistance. While there are many sources of support, the financial aid system does not always fully serve domestic students with the highest need." (p.17)

Relationship between higher and technical routes

Unlike most of the countries in the OECD, the US does not have dedicated vocational programmes at the upper secondary level. The primary forms of vocational training are thus vocational associate degrees, and non-degree certificate programmes.[47] As noted above, these are offered within 2-year institutions that typically have a strong focus on vocational education and workforce preparation.[48] Although such institutions were designed to, in part, provide a 'transfer function' for students to progress to bachelor's degrees at 4-year institutions,[49] as observed above, in practice such mobility has not been as widespread as initially intended.[50] This was remarked on by the expert interviewees, one of whom said:

"We have community colleges and four-year colleges. So many people starting community colleges expect to graduate [from] four-year colleges ... there have been surveys that show like 80% of the people entering community colleges think that they'll get a four-year college degree, but in fact, the number that do is more like one out of six." (US Expert 1)

Role of higher education in intergenerational social mobility

Intergenerational social mobility in the US has declined over the past century, prompting national debates about how this trend can be reversed.[51] For example, Chetty and colleagues combined tax data with data from the US Census and Current Population Survey to find that rates of absolute mobility fell from approximately 90% for children born in 1940

[47] OECD (2023) *Education at a Glance 2023: OECD Indicators.* Available at: https://www.oecd.org/en/publications/education-at-a-glance-2023_e13bef63-en/full-report/to-what-level-have-adults-studied_7d8f2f94.html

[48] Finkelstein, M. and Kelchen, R. (2017). Higher Education Systems and Institutions, United States of America. In P. N. Texeira and J. Shin (Eds.), *Encyclopedia of International Higher Education Systems and Institutions.* Springer.

[49] OECD (2023) *Education at a Glance 2023: OECD Indicators.* Available at: https://www.oecd.org/en/publications/education-at-a-glance-2023_e13bef63-en/full-report/to-what-level-have-adults-studied_7d8f2f94.html

[50] Liu, A. (2011) Unraveling the myth of meritocracy within the context of US higher education, *Higher Education*, 62, 383-397. https://doi.org/10.1007/s10734-010-9394-7

[51] Connor, D. and Storper, M. (2020) The changing geography of social mobility in the United States, *PNAS*, 117, 48, 30309-30317. https://doi.org/10.1073/pnas.2010222117; Mitnik, P., Grusky, D. and Bryant, V. (2024) A very uneven playing field: economic mobility in the United States, *American Journal of Sociology*, 129, 4, 1216-1276. https://www.journals.uchicago.edu/toc/ajs/2024/129/4; Pell Institute (2022) *Indicators of Higher Education Equity in the United States. 2022 Historical Trend Report,* The Pell Institute. Available at: https://www.pellinstitute.org/pell-institute-indicators-2022/

to 50% for those born in the 1980s. [52] Similarly, Mitnik et al. draw on tax data and other administrative sources to show how approximately two-thirds of the inequality between poor and well-off families is passed on to the next generation. In explaining such patterns, they contend that:

"This extreme persistence [of income inequality] cannot be attributed to any single factor. Instead, the United States is exceptional with respect to virtually all factors governing intergenerational persistence, including the returns to human capital, the amount of public investment in the human capital of low-income children, the amount of socio-economic segregation, and the progressiveness of the tax-and-transfer system. It follows that any substantial increase in mobility will require a wide-ranging package of reforms that cut across many institutions."[53]

In the US, 58% of adults with graduate parents obtained a degree compared with 31% of those from non-graduate families, a gap of 27 percentage points. The PIAAC analysis, conducted for this report, shows that returns to higher education for those with non-graduate parents have weakened by 11 percentage points between 2012 and 2023, even as access widened by 10 percentage points, leaving overall mobility unchanged. Nevertheless, higher education remains a channel for social mobility for the most disadvantaged.

Intergenerational mobility varies widely between type of institution. Research conducted by Chetty and colleagues, based on tax records of parents and children, has shown how differences in earnings, after graduation, between children from low- and high-income families were much smaller among students who attended the same college than across colleges.[54] There is, however, variation in the degree of intergenerational mobility between type of institution. For example, the proportion of students from the bottom income quartile who reached the top income quartile was highest, in Chetty et al.'s analysis, at mid-ranking public universities (such as the City University of New York and California State colleges). However, with respect to mobility from the bottom income

[52] Chetty, R., Grusky, D., Hell, M., Hendren, N., Manduca, R and Narang, J. (2017) The fading American dream: Trends in absolute income mobility since 1940, *Science*, 356, 398-406.

[53] Mitnik, P., Grusky, D. and Bryant, V. (2024) A very uneven playing field: economic mobility in the United States, *American Journal of Sociology*, 129, 4, 1216-1276, 16 https://www.journals.uchicago.edu/toc/ajs/2024/129/4

[54] Chetty, R., Friedman, J., Saez, E., Turner, N. and Yagan, D. (2020) Income segregation and intergenerational mobility across colleges in the United States, *The Quarterly Journal of Economics*, 135, 3, 1567-1633. https://doi.org/10.1093/qje/qjaa005

quartile to the top 1% of earners, rates were highest at elite universities, such as those in the Ivy League. More recently, Chetty et al. demonstrated that attending an Ivy League institution instead of a flagship public university tripled students' chances of obtaining jobs at prestigious firms and substantially increased their chances of being in the top 1% of earners.[55]

Such patterns were noted by the expert interviewees, with one reflecting: 'while the returns you can expect from college depend upon the quality of the college you go to, the returns are pretty similar for students who go to those colleges from high socio-economic backgrounds and those from low socio-economic backgrounds' (US Expert 1).

The expert interviewees agreed that there had been few initiatives that had promoted social mobility in an effective manner. One exception, discussed by US Expert 1, was the 'affirmative action' policies that were introduced in many universities from the 1960s, with the aim of reducing racial inequalities. Nevertheless, he asserted:

"There were always problems with implementation of affirmative action because non-white kids were not the only ones who were in positions of disadvantage, even if their disadvantage was to some extent in general greater. And the universities never systematically put in place a system of affirmative action on the basis of social class. And a consequence of this was that it was really quite difficult for the children of white working-middle-class families to get into a highly competitive course because they couldn't compete with the children of doctors and lawyers and they didn't have a policy-based advantage."

US Expert 2 explained the lack of widespread initiatives with respect to the US' highly decentralised higher education system but pointed to what he believed had been some effective policies at the institutional level. While noting that 'there's not been a ton of progress', he singled out a small number of institutions that had been doing some impactful work in enabling access, including Princeton:

"Princeton is a good example. This is just one measure, but over the past 10 years, they've roughly doubled the number of students that are Pell-eligible – so think of

[55] Chetty, R., Deming, D. and Friedman, J. (2023) *Diversifying Society's Leaders? The determinants and causal effects of admission to highly selective private colleges* (NBER Working Paper no. 31492), Cambridge, MA, National Bureau of Economic Research. Available at: https://www.nber.org/papers/w31492

those as roughly students coming from the bottom 60% of the parent income distribution. It's gone up from something like 10 or 11 or 12% up to 23 or 24% at Princeton over the past 10 or 15 years, so you know, that's like that is a pretty large change. The problem initially exists because of selection and so it's a problem that can be fixed through selection. It's just about who the university prioritises to admit. And so, you know, obviously admissions policies are starting from a baseline of an assessment of academic preparation. But then there's just all sorts of other stuff that gets layered on top of that, whether those are about extracurriculars, who can play on the sports teams, who are the children of previous graduates of the university."

The expert interviewees supported the recommendations put forward by Chetty and colleagues[56] to give admissions preference to low-income students, in the same way as legacy students (i.e. those whose parents had contributed financially to the institution, as alumni) have often received lower offers. They also recommended clearer pathways into the labour market and doing more to improve students' social capital before and during university. As one explained:

"I think that where we've seen a lot of individual universities finding success in individual programmes is in really taking seriously the social capital part that complements the kind of teaching, education, human capital part. And so it's I think it's worth thinking, why is it the social capital matters? Some of it's going to matter just because of networks and like if you know someone, they might help you get you a job. My instinct is that there's actually two other more important. The first is that you shape your expectations and your aspirations by seeing what's happening around you. And so if you see people again, especially people who look like you and maybe have come from a similar background, if you see them being successful, in particular ways, that will inspire you to be successful in particular ways, and then the second thing is that there are all sorts of little decisions that people need to make that are not something that are taught in classes. It's more about kind of how do you operate as an individual in society?"

"How do you figure out the right course programme to take? How do you set yourself up with the right internship to get a job? How do you go about looking for

[56] Chetty, R., Deming, D. and Friedman, J. (2023) *Diversifying Society's Leaders? The determinants and causal effects of admission to highly selective private colleges* (NBER Working Paper no. 31492), Cambridge, MA, National Bureau of Economic Research. Available at: https://www.nber.org/papers/w31492

a job? How do you go about figuring out the right course plan that links to a job down the road? These are things that many students who come from families with kind of successful and highly educated parents. People often get these things from their parents. When people don't have that background in their family, the first place they'll then get it is from their friends." (US Expert 1)

Australia

System overview

Australia has a mass higher education system largely centred on key metropolitan areas, and dominated by the 'Group of Eight' research elite. Of Australia's 43 universities, 37 are public and six are private.[57] Whilst states have some say in the governance of higher education in Australia, the primary responsibility for the higher education system sits in the federal government's Department of Education and Training, which administers national policy and quality assurance policies and has regulatory oversight.

Levels of participation are high in Australia: 51% of Australians between the ages of 25 and 65 hold a tertiary level qualification, which is far higher than the OECD average of 40%.[58]

The 2024 Australian Universities Accord aims to 'improve the quality, accessibility, affordability and sustainability of higher education, in order to achieve long term security and prosperity for the sector and the nation'.[59] It contains many bold targets and sets an agenda for the future of Australian higher education. Implementation is the responsibility of the new Australian Tertiary Education Commission.

Widening participation: access and outcomes

Significant reforms of the Australian higher education landscape occurred between 1987 and 1991, spearheaded by the then Education Minister John Dawkins. The 'Dawkins Revolution' reformed the number of higher education institutions and changed funding arrangements; many see these reforms as shepherding Australia into a system of mass higher education.[60]

[57] Australia Trade and Investment Commission (2025) *List of Australian universities,* Study Australia. Available at: https://www.studyaustralia.gov.au/en/plan-your-studies/list-of-australian-universities

[58] OECD (2023) *Country note: Australia.* Education at a Glance 2023, OECD Publishing. Available at: https://gpseducation.oecd.org/Content/EAGCountryNotes/EAG2023_CN_AUS_pdf.pdf#

[59] TEQSA (2024) *Australian Universities Accord*. Available at: https://www.teqsa.gov.au/About-us/engagement/australian-universities-accord

[60] Croucher, G., Marginson, S., Norton A. and Wells, J. (eds) (2013) *The Dawkins Revolution: 25 Years On,* Melbourne University Press.

Further reforms in the early 2000s deliberately introduced market forces into the system: 'fees became partially deregulated…the intention of partial deregulation was to allow market forces to influence the nature and costs of courses'. [61]

In 2009, one commentator saw Australia as a 'byword for the generation of export revenues by selling education to foreign students'.[62] By 2013, higher education revenues exceeded $26 billion and had become increasingly reliant on international student income.[63] Other sources of funding for institutions derive from the federal government's Commonwealth Grant Scheme, which subsidises the cost of places for students.

The 2008 Bradley Report on Australian higher education led to initiatives seeking to make admissions to universities more equitable. These included the 2010 Higher Education Partnership and Participation Program, which focused on students from low-socioeconomic status backgrounds, those in remote areas, and those who identify as Aboriginal.[64]

Participation rates in Australia increased between 2014 and 2023, from 37% to 41% for 19-year-olds.[65] 51% of Australians between the ages of 25 and 65 hold a tertiary level qualification, compared to the OECD average of 40%.[66]

Despite these figures, disparities within the system remain. Indeed, the proportion of students attending university from low socio-economic groups has changed little over the past decade.[67] People from large

[61] Marks, G. N. and McMillan, J. in Shavit Y., Arum, R., and Gamoran, A. (2007) *Stratification in Higher Education: A Comparative Study,* De Gruyter Brill. p.7

[62] Marginson, S. (2009) Is Australia overdependent on international students? *International Higher Education,* 57

[63] Norton A. and Cherastidtham, I. (2014) *Mapping Australian higher education 2014-15,* Grattan Institute.

[64] Tomaszewski, W., Xiang, N. and Kubler, M. (2025) Socio-economic status, school performance, and university participation: evidence from linked administrative and survey data from Australia, *Higher Education*, 89, 53-774. https://doi.org/10.1007/s10734-024-01245-7

[65] Australian Government Department of Education (2024) *Key findings from the 2023 Higher Education Student Statistics*. Available at: https://www.education.gov.au/higher-education-statistics/student-data/selected-higher-education-statistics-2023-student-data/key-findings-2023-student-data#

[66] OECD (2023) *Education at a Glance 2023: OECD Indicators.* Available at: https://www.oecd.org/en/publications/education-at-a-glance-2023_e13bef63-en/full-report/to-what-level-have-adults-studied_7d8f2f94.html; OECD (2023) *Country note: Australia.* Education at a Glance 2023, OECD Publishing. Available at: https://gpseducation.oecd.org/Content/EAGCountryNotes/EAG2023_CN_AUS_pdf.pdf#

[67] Morris, A. (2024) Inequality and Education in Australia, *The Economic and Labour Relations Review*, 35, 2, 221–42. https://doi.org/10.1017/elr.2024.18.

metropolitan cities are twice as likely to have graduated from a degree when compared to those from remote areas.[68] The most prestigious universities in Australia are weighted towards advantaged students. In 2019, 16.8% of all students were classified as from low socio-economic backgrounds. In the Group of Eight institutions they made up only 9.7%.[69] Similar patterns of underrepresentation were noted in the Australian Universities Accord.[70] Continued disparities in access, along with concerns about changing workforce needs and declining public funding, led to the announcement of the Australian Universities Accord and a 'whole-of-education' approach to tackling inequalities.[71]

Student funding and finance

Funding of higher education is supported by both government and student contributions, including through the Commonwealth Grant Scheme; the Higher Education Loan Programme; and international student enrolment. These funding arrangements have changed over time: here the focus is on contemporary arrangements.

83.2% of domestic Australian undergraduates hold Commonwealth Supported Places.[72] For these students, the cost of tuition is significantly lowered: the government covers a large proportion of the university tuition costs for these students, with funding deriving from the Commonwealth Grant Scheme. The contribution varies by course and aims to incentivise students to take courses that are closely matched to labour market needs.

As Australia Expert 2 explained:

"Universities and particularly new universities are either accused of, or praised for, their instrumentalism. Emphasising the returns in the labour market of

[68] Universities Australia (2022) *Data Snapshot*. Available at: https://universitiesaustralia.edu.au/wp-content/uploads/2022/08/220523-Data-snapshot-2022_web.pdf

[69] Koshy, P. (2020) *Equity Student Participation in Australian Higher Education: 2013 – 2019,* National Centre for Student Equity in Higher Education, Perth.

[70] Australian Government (2023) *Australian Universities Accord Interim Report,* Canberra, Australian Government. Available at: https://www.education.gov.au/download/16699/australian-universities-accord-interim-report/33941/document/pdf

[71] Australian Government (2023) *Australian Universities Accord Interim Report*, Canberra, Australian Government. Available at: https://www.education.gov.au/download/16699/australian-universities-accord-interim-report/33941/document/pdf

[72] Universities Australia (2022) *Data Snapshot*. Available at: https://universitiesaustralia.edu.au/wp-content/uploads/2022/08/220523-Data-snapshot-2022_web.pdf

getting this particular degree, from this particular university. So, instrumentalism is a very strong thing here."

If the number of supported places for a particular course may be capped, meaning some students are offered non-supported places instead. The contribution depends on the course that a student is enrolled on, medical students are allocated more government funding than humanities students. The different student and Commonwealth contribution (the amount paid by the government) are displayed in Table 1. Courses are clustered into categories as follows:

- Cluster 1: law, accounting, administration, economics, commerce, communications, and society and culture;
- Cluster 2: education, clinical psychology, English, mathematics, statistics, allied health, other health, built environment, computing, visual and performing arts, professional pathway psychology, and professional pathway social work;
- Cluster 3: nursing, indigenous and foreign languages, engineering, surveying, environmental studies, science;
- Cluster 4: agriculture, medicine, dentistry, veterinary science, pathology.

Table 1: Student and Commonwealth Contribution by Subject, 2025[73]

	Max Student Contribution	Commonwealth Contribution
Cluster 1	$16,992	$1,286
Cluster 2	$4,627	$15,526
Cluster 3	$4,627	$19,041
Cluster 4	$4,627	$31,641

This mechanism of funding is partially informed by the increasing focus on producing graduates who are ready for the labour market or, put another way, attempting to create an ideal student 'who selects a degree in the national interest and develops value-added industry skills throughout their studies'.[74] This is encapsulated in the 'Job Ready Graduate Package' which involves $20 billion worth of funding and aims to prepare and funnel graduates into the labour force where required.[75] This has been critiqued in the academic literature for reinforcing inequalities through privileging those who fit the mould of the 'ideal' university students – i.e. those who are 'young, male, able-bodied, and with inherited cultural capital' and able to act flexibly and strategically throughout their higher education and into the labour market.[76]

Some view these differential contributions as effective at attracting students to subjects which are more useful for the Australian economy. Others argue that they miss the purpose of higher education study.

[73] Department of Education (2025) Allocation of units of study to funding clusters and student contribution bands according to field of education codes 2025, Australian Government.

[74] Patfield, S., Gore, J. and Fray, L. (2025) Problematising the 'job-ready graduate' ideal in Australian higher education: new forms of exclusion in the academy, Australian Educational Researcher 52, 3221–3238.

[75] Department of Education (2024a) Job-ready Graduates Package, Australian Government. Available at: https://www.education.gov.au/job-ready

[76] Patfield, S., Gore, J. and Fray, L. (2025) Problematising the 'job-ready graduate' ideal in Australian higher education: new forms of exclusion in the academy, Australian Educational Researcher 52, 3221–3238.

Australia Expert 2 explained the history of this tension:

"Universities and particularly new universities are either accused or praised for their instrumentalism. Emphasising the returns in the labour market of getting this particular degree, from this particular university. This is the dominant thing that you see in Australia, even in more prestigious universities…Civic leaders of Adelaide, Perth, Darwin and so on created these institutions … to create a sort of training ground where professions would be established. But they expanded very much into creating an opportunity for people to get a return. So, instrumentalism is a very strong thing here." (Australia Expert 2)

The Higher Education Loan Plan allows students to receive an income-contingent loan with which they can pay for their tertiary education; this loan is then paid back once students are earning above a specified income threshold. The limits for these loans are $121,844 for most subjects, but higher for subjects like medicine, dentistry, and veterinary science where the maximum is $174,998. [77] The Higher Education Loan Plan, as in many other higher education systems across the world, including England, allows for the deferral of tuition payments. Indeed, one interviewee noted that this system of funding was 'borrowed, of course, from the UK' (Australia Expert 1).

A significant proportion of the student population in Australia is international students, making education one of Australia's most valuable exports. Popular concern that the number of international students in Australia is too high has led to a cap on international student numbers. This has been met with disapproval by Universities Australia, who note the damage that it may cause to the country. Their CEO, Luke Sheehy, wrote that: 'International students contribute over $50 billion to the economy and support more than 250,000 jobs across the country…slashing student number by tens of thousands would take a sledgehammer to one of the nation's biggest income generators'.[78] Capping a key income generator for higher education in Australia is likely to have significant impact on the higher education landscape more generally. As one of the interviewees

[77] Department of Education (2024) *Higher Education Loan Plan (HELP),* Australian Government. Available at: https://www.education.gov.au/higher-education-loan-program

[78] Universities Australia (2025) *Student cap plan will damage economy without fixing housing crisis,* Universities Australia. Available at: https://universitiesaustralia.edu.au/media-item/student-cap-plan-will-damage-economy-without-fixing-housing-crisis/

noted: 'A lot of the universities rely on that funding [from international students], so we're now seeing cuts across the sector' (Australia Expert 1).

Relationship between higher and technical routes

Australia places increasing importance on vocational education amid the needs of the national labour market. This is reflected in an increase in the amount of money invested in technical and further education: from 2019 to 2023, the government spending on these routes increased by $4.4 billion, amounting to a rise of 69.2%.[79] Courses are available across multiple disciplines, including: computing; hospitality; business; engineering; architecture; agriculture; legal studies; automotive; health; and creative industries. Qualifications are offered at six different levels, ranging from Certificate I to Advanced Diploma, which represent different time commitments, from 4 months to 36 months respectively.[80] The primary delivery mechanism of vocational education and training is through Technical and Further Education institutions (known as TAFE) and Registered Training Organisations; there are approximately 4,000 of these institutions across Australia which support over 4 million students.

Australia launched a National Skills Agreement in 2024, which aimed to strengthen vocational education and training by providing extra financial support to the sector and to align these education routes more closely with specified national priorities. These priorities include: gender equality; closing the gap (aiming to support the reduction between outcomes of Aboriginal and Torres Strait Islander groups and non-Indigenous Australians in education, health, and opportunities); supporting the Net Zero transformation; sustaining essential care services; developing Australia's sovereign capability and food security; ensuring Australia's digital and technology capability; delivering housing supply; and delivering reforms to improve the regulation of vocational education and training qualifications and quality.[81] In addition, 'Fee-Free TAFE' has been introduced, to provide free technical and vocational education and training to specific groups of people who are training in areas of national priority, namely:

[79] National Centre for Vocational Education Research (2024) *Australia vocational education and training statistics: government funding of VET 2023.* Available at: https://www.ncver.edu.au/research-and-statistics/publications/all-publications/government-funding-of-vet-2023

[80] Study Australia (2025) *Vocational Education and Training*. Available at: https://www.studyaustralia.gov.au/en/plan-your-studies/vocational-education-and-training

[81] Department of Employment and Workplace Relations (2025) *Fee-Free TAFE,* Australian Government. Available at: https://www.dewr.gov.au/skills-reform/fee-free-tafe

- First Nations Australians
- Young people (aged 17-24)
- People who are out of work or receiving income support payments
- Unpaid carers
- Women facing economic insecurity
- Women undertaking study in non-traditional fields
- People with disability
- Certain categories of visa holders82

Role of higher education in intergenerational social mobility

There are no studies that explicitly calculate the contribution of higher education to intergenerational social mobility in the Australian context. Wider evidence about social mobility generally suggests that Australia is 'among the most mobile countries in the world',[83] but it remains the case that parental income directly impacts the income potential of their offspring. The former Assistant Minister for Competition, Charities and Treasury stated that 'Australia is more socially mobile than the United States, but less mobile than Scandinavian countries. We do OK, but we could do better'[84]

Young people who have attended higher education have better labour market outcomes when compared to those who have not.[85] Research has suggested that the main lever to equalise opportunities to access to higher

[82] Department of Employment and Workplace Relations (2025) *Fee-Free TAFE*, Australian Government. Available at: https://www.dewr.gov.au/skills-reform/fee-free-tafe

[83] Productivity Commission (2024) *Fairly Equal? Economic Mobility in Australia,* Canberra, Productivity Commission. Available at: https://www.pc.gov.au/research/completed/fairly-equal-mobility/fairly-equal-mobility.pdf p.41

[84] Leigh, A. (2023) *Opinion Piece: No child's future should be pre-determined from their birth.* Ministers: Treasury portfolio. Available at: https://ministers.treasury.gov.au/ministers/andrew-leigh-2022/articles/opinion-piece-no-childs-future-should-be-pre-determined-their

[85] Reeves, R. V. and Grannis, K. S. (2013) *Five strong starts for social mobility,* Washington DC, Centre on Children and Families, Brookings Institute. Available at: https://www.brookings.edu/articles/five-strong-starts-for-social-mobility/#:~:text=Richard%20Reeves%20and%20Kerry%20Searle%20Grannis%20identify%20the,and%20the%20way%20we%20start%20our%20own%20families.

education, and thus reap its benefits, is financial aid.[86] The introduction of increased financial support to students, for example through the Commonwealth Grant Scheme, seek to address what one interviewee described as 'mounting evidence to show that if you come from a disadvantaged background…you can't have access to top jobs or professions' (Australia Expert 2).

Despite this increased focus on widening participation, such changes have not necessarily led to equality of opportunities. Even once enrolled in tertiary education, successful completion within a given timeframe can be predicted by parental education level: 73% of students with at least one parent with tertiary attainment successfully completed their tertiary studies (within three years of the notional end of the programme), while only 61% of students whose parents had less than upper secondary education did so.[87] This is further supported by Australia Expert 2 who noted that there is 'strong evidence to show that the very high rates of non-retention' for these students. This is despite the adoption of 'enabling programmes', supporting access to higher education for students from underrepresented backgrounds and acting as a bridge from schooling to higher education, developing skills and confidence to allow for a successful transition to higher education. One evaluation of these programmes directly mentions their social mobility benefits: 'Overall they [students on enabling programmes] tended to have a positive experience of transformation and adaptation into academic culture, which can be broadly characterised as "social mobility"'.[88]

One expert interviewee identified two key barriers to social mobility at the pre-tertiary level: 'There is social mobility, but there are also a lot of blockers, including streaming students in schools, and very early national testing' (Australia Expert 1). He pointed to the incentives offered to schools to push students into vocational courses, and the problematic use of ATAR (Australian Tertiary Admission Rank), a ranking of all students

[86] Cunninghame, I. (2017) The role of higher education in facilitating social mobility. *International Studies in Widening Participation,* 4, 1, 74-85.

[87] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html; OECD (2024) *Country note: Australia*, Education at a Glance 2024, Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024-country-notes_fab77ef0-en/australia_7cd500b6-en.html

[88] Habel, C., Whitman, K. and Stokes, J. (2016) *Exploring the Experience of Low-SES Students via Enabling Pathways,* Perth, National Centre for Student Equity in Higher Education. Available at: https://www.acses.edu.au/publication/exploring-the-experience-of-low-ses-students-via-enabling-pathways/

based on their school performance, reinforcing inequalities between schools.

Among the 47 recommendations of the 2024 Australian Universities Accord are a target of 80% of adults having postsecondary qualifications by 2050, and the proportional representation of four specific underrepresented groups, as well as proposals for outreach funds, university-readiness programmes, needs-based funding and a reform of the loans scheme. A second interviewee was particularly hopeful about the potential of the Accord and its vision of 'equity through growth' (Australia Expert 2).

Canada

System overview

Canada has a highly decentralised higher education system. There is no federal ministry of education, and its ten provinces and three territories assume the major role in legislative, regulative and operational matters.[89] The federal government funds research, student financial assistance and supports language and cultural initiatives.

There are currently 100 public universities and over 70 private universities in Canada.[90] In addition, there is a well-developed college system. One expert interviewee commented that the relative lack of a university status hierarchy meant less attention to differences in access. Universities tend to have a high degree of autonomy, while the college sector is closely regulated. Some colleges have been granted degree-awarding powers, offering undergraduate programmes alongside more traditional vocational courses.[91]

Canada's Gross Enrolment Ratio in tertiary education is 78%. 24% of tertiary students are enrolled in non-university provision, compared to only

[89] Jones, G. and Weinrib, J. (2013) Globalization and higher education in Canada, in King, R., Marginson, S. and Naidoo, R. (eds) *Handbook on Globalization and Higher Education*, Edward Elgar. pp.222-240.

[90] Government of Canada (2025) *Universities*. Available at: https://www.educanada.ca/study-plan-etudes/university-universite.aspx?lang=eng; Sa, C. (2020) Higher education systems and institutions, Canada, in: Amaral, A. et al. (eds) *The International Encyclopaedia of Higher Education Systems and Institutions* Springer. p.906-914.

[91] Sa, C. (2020) Higher education systems and institutions, Canada, in: Amaral, A. et al. (eds) *The International Encyclopaedia of Higher Education Systems and Institutions* Springer. p.906-914.

13% in the UK, partly a result of the strong tradition of professional and vocational education driven by the college system mentioned above.[92]

Canada is distinguished by its high levels of post-secondary attainment, with 67% of 25-64 year olds qualified at the level of 'post-secondary non-tertiary' and above, compared to an OECD average of 47%.[93] Canada does not systematically collect administrative data on the social characteristics of its students at federal level,[94] which impedes analysis of trends with respect to widening participation. One expert interviewee confirmed that, even at the university level, data collection is 'piecemeal' and that few provinces have collected longitudinal data.

Canada presents a challenge for tracking mobility trends. While national platforms such as the Postsecondary Student Information System and the Education and Labour Market Longitudinal Platform link administrative education data to tax records and provide rich information on graduate outcomes, they contain limited information on students' social backgrounds. At the provincial and institutional level, equality, diversity and inclusion data are collected inconsistently, and experts described the overall landscape as piecemeal. Thus, while valuable longitudinal linkages exist, they are not sufficient for detailed analyses of outcomes by socio-economic origin.

Widening participation: access and outcomes

Increasing access to post-secondary education has been a longstanding aim of policy throughout Canada, and 'the cornerstone of most provincial policies since the 1960s'.[95] Despite high participation rates, those from under-privileged backgrounds have continued to be under-represented in higher education, with parental education and income remaining major determinants of post-secondary participation.[96]

[92] Usher, A. and Balfour, J. (2024) *The State of Postsecondary Education in Canada, 2024,* Toronto, Higher Education Strategy Associates. Available at 2025-04-04_SPEC-2024_v6_Publications-1.pdf

[93] OECD (2024a) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[94] Usher, A. and Balfour, J. (2024) *The State of Postsecondary Education in Canada, 2024*, Toronto, Higher Education Strategy Associates. Available at: 2025-04-04_SPEC-2024_v6_Publications-1.pdf

[95] Jones, G. and Weinrib, J. (2013) Globalization and higher education in Canada, in King, R., Marginson, S. and Naidoo, R. (eds) *Handbook on Globalization and Higher Education*, Edward Elgar. pp.222-240. p.223

[96] Deller, F., Kaufman, A. and Tamburri, R. (2019) *Redefining Access to Postsecondary Education*, Toronto, Higher Education Quality Council of Ontario. Available at: https://heqco.ca/pub/redefining-access-to-postsecondary-education/

Some universities have introduced diversity admissions policies.[97] One expert interviewee confirmed that universities were particularly focused on addressing racial inequalities, but that more attention needed to be given to indigenous communities. At the same time, as noted above, there has been no systematic collection, at institutional level, of data about students' socio-economic status or whether they have any family history of higher education,[98] which makes it difficult both to target initiatives at particular students, and to track progress. Ford and colleagues[99] argue that relative to other provinces (with the exception of Quebec), Ontario is the only province where there have been improvements in participation rates for both university and non-university post-secondary education for students from families of all income levels in the past 20 years. One expert interviewee suggested that 'nobody uses the term widening participation … it's a non-issue' (Canada Expert 1). He also believed that people 'don't talk about class' because of Canada's self-identity as a post-class society.

Student funding and finance

Canadian universities receive their income primarily from two main sources: government grants and tuition fees paid by students.[100] The Federal Government's Canada Student Financial Assistance Program allows students to apply for grants and loans, though arrangements vary by province. Other sources of student support include education savings plans, tax credits and scholarships. These forms of financial support have not had a significant impact on social mobility – primarily because half of the available assistance is available to all students, and is not needs-assessed.[101]

Provincial governments have typically allowed institutions to increase their fees as a means of covering increasing costs. In 2024-25, the average annual tuition fee, for Canadian undergraduate students was $7360 (Canadian dollars). However, this varied from $3594 in Quebec to $9762 in

[97] Tamtik, M. and Guenter, M. (2019) Policy analysis of equity, diversity and inclusion strategies in Canadian universities – how far have we come? *Canadian Journal of Higher Education*, 49, 3, 41-56. https://journals.sfu.ca/cjhe/index.php/cjhe/article/view/188529

[98] Universities Canada (2019) *Equity, diversity and inclusion at Canadian universities. Report on the 2019 national survey*, Universities Canada. Available at: https://univcan.ca/publication/equity-diversity-and-inclusion-at-canadian-universities-report-on-the-2019-survey/

[99] Ford, R., Hui, T.S. and Nguyen, C. (2019) *Postsecondary Participation and Household Income*, Toronto, Higher Education Quality Council of Ontario. Available at: https://heqco.ca/pub/postsecondary-participation-and-household-income/

[100] Sa, C. (2020) Higher education systems and institutions, Canada, in: Amaral, A. et al. (eds) *The International Encyclopaedia of Higher Education Systems and Institutions* Springer. p.906-914.

[101] Lang, D. (2022) Financing higher education in Canada: a study in fiscal federalism, *Higher Education*, 84, 177-194. https://doi.org/10.1007/s10734-021-00761-0

Nova Scotia.[102] Such variation has not, however, driven differences in participation by province.[103]

Despite the key role played by provincial governments in the Canadian higher education system (see above), the Federal Government exerts considerable influence with respect to student finance – through the Canada Student Financial Assistance Program. Students are able to apply for grants, of up to $4,200 per year for the most recent academic year, if their family income falls below a specific threshold. These do not need to be paid back, and students apply via their province. Loans, which *do* need to be paid back after finishing university, are also offered. The amount that can be borrowed is calculated using a variety of factors including the costs incurred by the students and the assets they have available (including family income, if they are a dependent).[104] The Federal Government works with provincial governments in this area, although the nature of the relationship differs: in some provinces, they work together to provide integrated grants and loans; in others, provincial grants and loans are offered alongside federal ones; and in three provinces, federal funding is not available.[105]

Other sources of student support include:

- Registered Education Savings Plan: introduced in 1974, this allows tax deductions for savings that parents set aside for their children's university or college education. As long as contributions are used for eligible higher education expenses, they are not taxed. In 1998, the Federal Government introduced a matching scheme, whereby it would contribute 20 cents for every dollar saved, up to a specified maximum amount. As this was criticised for being highly regressive, in 2004, the matching rate was increased for low-income parents (up to 40%). In addition, the Canada Learning Bond was introduced, which automatically adds money to a child's RESP for those whose parents are on low incomes. This policy has been very popular: 54%

[102] Statistics Canada (2025) Canadian and international tuition fees by level of study. Available at: https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3710004501

[103] Usher, A. and Balfour, J. (2024) *The State of Postsecondary Education in Canada, 2024,* Toronto, Higher Education Strategy Associates.

[104] Government of Canada (2025) *Student Aid*. Available at: https://www.canada.ca/en/services/benefits/education/student-aid.html (accessed 9/5/25)

[105] Statistics Canada (2025) *Canadian and international tuition fees by level of study.* Available at: https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3710004501

of all Canadians under the age of 18 received a payment under the scheme in 2024.

- Tax credits: while grants and loans are means-tested, significant amounts of aid are available to students in post-secondary education without any such test – including tax credits relating to tuition fees and other forms of educational expense. The total annual value of tax credits, in 2024, was estimated to be $3.3 billion, with over 85% of this coming from the Government of Canada.

- Higher education institutions provide approximately $3.2 billion per year to students through scholarships and bursaries. Total university expenditure was over $2,500 per full-time student in 2024.[106]

The impact of these forms of financial support has not, research suggests, had a significant impact on social mobility – primarily because half of the available assistance is available to all students, not needs-assessed, and is this as much regressive as progressive, socio-economically.[107]

Relationship between higher and technical routes

As noted above, one of the distinctive features of Canada's education sector is its relatively large college system. This is comprised of a wide range of publicly-funded non-university post-secondary institutions that offer diploma, certificate and applied degree programmes. They include community colleges, colleges of applied arts and technology, technical institutes, university-colleges, institutes of technology and advanced learning and polytechnic institutes.[108]Although models differ between provinces, in general, the college sector was developed to support regional economic growth – aligned with local economic needs and subject to government control. Colleges typically offer a range of vocational programmes that are frequently linked directly to the labour market.[109] Over recent years, some colleges have been granted degree-awarding

[106] Usher, A. and Balfour, J. (2024) *The State of Postsecondary Education in Canada, 2024,* Toronto, Higher Education Strategy Associates.

[107] Lang, D. (2022) Financing higher education in Canada: a study in fiscal federalism, *Higher Education*, 84, 177-194. https://doi.org/10.1007/s10734-021-00761-0

[108] Tamtik, M. and Balasubramaniam, P. (2024) Equity, diversity, and inclusion in Canadian colleges: examining definitions and unveiling perceptions, *Journal of Further and Higher Education*, 48, 7, 714-726.

[109] Jones, H. (2009) Sectors, institutional types and the challenges of shifting categories: a Canadian commentary, *Higher Education Quarterly*, 63, 4, 371-383.

powers, with some transforming into teaching-focussed universities offering undergraduate programmes alongside more traditional vocational courses.[110]

Alongside a desire to serve local economies, the growth of the college sector has been driven by policymakers' aim to both increase and widen access to post-compulsory education. Despite some of the concerns about equity in access to higher education in general, mentioned previously, the college system is generally thought to have played a critical role in establishing Canada's high rate of post-secondary educational attainment and has also had a positive impact on diversifying the student body.[111]

Role of higher education in intergenerational social mobility

Zemen and Frenette[112] argue that, particularly compared to other OECD countries, there is a relatively high level of intergenerational mobility in education for adults whose parents did not have either a college diploma or university degree. Studies using other datasets have, however, reached different conclusions. Connolly et al.[113] identified a steady decline in intergenerational social mobility over time. This trajectory of declining social mobility for those from low socio-economic status groups was also found in the OECD data. In Canada, 29% of adults with a non-graduate parent completed a degree, compared to 52% with a graduate parent. Whilst a more inclusive system than some, individuals with non-graduate parents are about 44% less likely to complete a degree by their late thirties or early forties. Our PIAAC data show an 8% decline in social mobility since 2012; sample limitations prevent firmer conclusions.

Concerns about declining intergenerational social mobility trends are being voiced in public debate in Canada. Indeed, several publications produced by Policy Horizons Canada (the Government of Canada's Centre of Excellence in Foresight) have highlighted downward social mobility as a

[110] Sa, C. (2020) Higher education systems and institutions, Canada, in: Amaral, A. et al. (eds) *The International Encyclopaedia of Higher Education Systems and Institutions* Springer. p.906-914.

[111] Sa, C. (2020) Higher education systems and institutions, Canada, in: Amaral, A. et al. (eds) *The International Encyclopaedia of Higher Education Systems and Institutions* Springer. p.906-914; Tamtik, M. and Guenter, M. (2019) Policy analysis of equity, diversity and inclusion strategies in Canadian universities – how far have we come? *Canadian Journal of Higher Education*, 49, 3, 41-56.

[112] Zemen, K. and Frenette, M. (2021) *Portrait of youth in Canada: data report. Chapter 3: Youth and Education in Canada*. Statistics Canada. Available at: https://publications.gc.ca/site/eng/9.903788/publication.html

[113] Connolly, M., Haeck, C. and Lapierre, D. (2021) *Trends in Intergenerational Income Mobility and Income Inequality in Canada,* Analytical Studies Brance Research Paper Series, Statistics Canada. Available at: https://www150.statcan.gc.ca/n1/pub/11f0019m/11f0019m2021001-eng.html

key, and potentially serious, future social problem.[114] One expert interviewee confirmed that the policy conversation is now about 'protecting people from downward mobility'.

Our analysis of PIAAC data also shows that more than half of upward mobility for disadvantaged groups in Canada comes through non-higher education routes. This is markedly higher than for other case countries.

China

System overview

China has a diverse array of higher education institutions. Of more than 3,100 tertiary education institutions nationwide, just under half offer undergraduate degrees.[115] At the top of the hierarchy are the 42 'Double First Class' (previously referred to as 'Project 211' and 'Project 985') universities, research-intensive institutions that receive substantial government funding and are central to China's ambition of building world-class universities. The remainder – the 'non-Double First Class' universities – are less prestigious and well-resourced. It has been argued that this stratification actively entrenches inequalities within the national higher education system with increased funding going to elite institutions.

Education, especially higher education, is often seen as important for personal growth and family honour in China, which is rooted in long-standing Confucian cultural beliefs that associate academic success with moral virtue, social standing, and upward mobility. As China Expert 2 said:

"Chinese people still place a strong emphasis on education. Even though there are now some views like 'education is useless' (*dushu wuyong lun*), you will find that across all levels of society in China, very few families think that a child doing well academically is unimportant, or that getting into a good university isn't something to be proud of. I think this kind of traditional mindset is still very much present in Chinese culture."

[114] Policy Horizons Canada (2024) *Disruptions on the Horizon.* Available at: https://horizons.service.canada.ca/en/2024/disruptions/Disruptions_on_the_Horizon_2024_report.pdf; Policy Horizons Canada (2025) *Future Lives: social mobility in question*. Available at: https://horizons.service.canada.ca/en/2025/01/10/future-lives-social-mobility/pdf/future-lives-social-mobility-en.pdf

[115] Hu, J., Liu, H., Chen, Y., and Qin, J. (2018). Strategic planning and the stratification of Chinese higher education institutions. *International Journal of Educational Development*, *63*, 36-43. https://doi.org/10.1016/j.ijedudev.2017.03.003

"So, from this perspective, the broader social environment is quite supportive of higher education. It's not like in some places or countries, where you might see anti-intellectual sentiments, or that kind of pushback. At least in today's Chinese society, people still tend to admire and respect knowledge and education. Being able to get into a top university is still widely seen as something to be proud of. I think this larger environment plays a very important role."

The governance of higher education in China is highly centralised, with the Ministry of Education acting as the central body responsible for higher education policy and regulation. Its website outlines 17 wide-ranging responsibilities of the Ministry, including: 'To plan and guide the research by institutions of higher education in natural sciences, philosophy and social sciences; to coordinate and guide the institutions of higher education to take part in developing the national innovation system, and undertake the State's key projects and programmes for the development of science and technology'.[116] The *Higher Education Law* of 1998 formalised significant devolvement of authority from China's central government to provincial governments, universities, and non-state actors, by granting institutions autonomy over teaching, research, admissions, finance, and internal governance. At the same time, the central government maintains strong macro-level control and accountability through policy steering, performance-based funding mechanisms, and regulations of strategic priorities in higher education.

According to recent data from the Ministry of Education, there are 3,119 higher education institutions nationwide. This includes 1,257 regular undergraduate institutions (of which 154 are independent colleges), 51 undergraduate-level vocational institutions, 1,562 junior colleges (vocational colleges), and 249 adult higher education institutions. In addition, 233 research institutes are authorised to confer postgraduate degrees.[117] Hu and colleagues outline two primary classification frameworks: a vertical (hierarchical) model based on institutional missions,

[116] Ministry of Education of the People's Republic of China (n.d.) *The Responsibilities of the Ministry of Education.* Available at: http://en.moe.gov.cn/about_MOE/what_we_do/201812/t20181205_362493.html Han, S., Xu, X. (2019) How far has the state 'stepped back': an exploratory study of the changing governance of higher education in China (1978–2018), *Higher Education,* 78, 931–946. https://doi.org/10.1007/s10734-019-00378-4.

[117] Ministry of Education of the People's Republic of China (2025) *Statistical Bulletin on the Development of National Education in 2024.* Available at: https://hudong.moe.gov.cn/jyb_sjzl/sjzl_fztjgb/202506/t20250611_1193760.html

and a horizontal classification based on administrative affiliation and historical development.[118]

- The vertical typology categorises institutions into three tiers. At the top are 'Double First Class Universities', most of which are former 'Project 985' and 'Project 211' universities: these are research-intensive institutions that receive substantial government funding and are central to China's ambition of building world-class universities. The middle tier consists of non-Double First Class Universities, which are primarily teaching-oriented. At the base are vocational colleges and other higher education institutions, which focus on practical and technical education and typically confer associate degrees. This stratified structure emerged in the late 1990s as a result of targeted government initiatives aimed at strengthening elite institutions and developing 'world-class universities'.

- The second typology is horizontal, based on governance and sponsoring bodies. Higher education institutions in China are typically divided into three categories: those administered by the Ministry of Education (national universities), those managed by provincial education authorities (provincial universities), and private universities. These categories reflect the legacy of China's bureaucratic governance structure and continue to shape institutional autonomy and resource distribution. In recent years, to meet the demands of globalisation and modernisation, the Chinese government has increasingly supported Sino-foreign joint universities and education programmes, particularly with elite overseas institutions in the fields of science and technology.

In 2017, the Chinese government launched the Double First-Class Initiative; this is a national strategy to develop both word class universities and disciplines, which built on similar initiatives, such as Project 211 and Project 985 initiated in the 1990s.[119] These programmes provided increased funding for 'elite' universities in the country with the aim of improving global competitiveness, but have perhaps, as a result, increased inequalities within the country; this can be observed in employment

[118] Hu, J., Liu, H., Chen, Y. and Qin, J. (2018). Strategic planning and the stratification of Chinese higher education institutions. *International Journal of Educational Development*, *63*, 36-43. https://doi.org/10.1016/j.ijedudev.2017.03.003

[119] Lin, L. and Wang, S. (2022) China's Higher Education Policy Change from 211 Project and 985 Project to the Double-first-class Plan: Applying Kingdon's Multiple Streams Framework, *Higher Education Policy*, 35, 808-832.

practices: 'To recruit the highest-quality graduates, employers even "raise the bar" by artificially increasing the qualification threshold for job applications and even explicitly requiring the recruitment of only graduates from "double first-class" or elite universities…'.[120] Thus, it can be argued that the Double First-Class Initiative actively entrenches inequalities within the national higher education system with increased funding going to elite institutions, compounding their eliteness.

Students are admitted to different Chinese universities through the Nationwide Unified Examination for Admissions to General Universities and Colleges, more commonly referred to as the National College Entrance Exam or *Gaokao*. This examination, resumed in 1977 after a hiatus, is high stakes, with it being 'essentially the only criterion for what kind [of] institutions [students] can apply for: national key universities (first tier), regular universities (second tier), and technical colleges (third tier)'.[121] The pressures students face when preparing and taking *Gaokao* are well documented in the academic literature.[122] However, for many Chinese people, *Gaokao* is still seen as a more just or impartial route to higher education, as it relies solely on standardised test scores. As China Expert 2 explained:

"Although China's *Gaokao* has all kinds of problems, it is still a relatively fair selection approach. We can see, for example, why China's independent admissions (*zizhu zhaosheng*) were cancelled. The biggest issue here is that once you stop using exam scores as the sole criterion and start relying on various other selection standards – actually, this is the same in other countries too, like in the United States – you have to do all kinds of activities to make your application look better. But for students from poor families, they just don't have those opportunities. It's the same in China: independent admissions allowed universities to lower the admission score threshold for some students. If the parents are capable, or the family is well-off, they can package the student very well. That's why the system of independent admissions wasn't continued– because there was actually very strong opposition from society about its

[120] Zhang, N. and Fan, H. (2024) The intergenerational mobility effects of higher education expansion in China. *International Journal of Educational Development,* 111. https://doi.org/10.1016/j.ijedudev.2024.103169 p.2

[121] Yang, R. (2020) Higher Education Systems and Institutions, China. In: Teixeira, P. N., Shin, J. C. (eds) *The International Encyclopaedia of Higher Education Systems and Institutions*. Springer.

[122] Yang, W., Sun, R., Wang, C., Chen, J., Zhang, C., Yu, J., Liu, G. (2023) Epidemiology of depressive disorders among youth during Gaokao to college in China: results from Hunan Normal University mental health survey, *BMC Psychiatry,* 23, 481.

unfairness. … So, I would say the *Gaokao* system in China does allow, to some extent, students from families who really have no other resources and have to rely solely on their own academic effort to have a chance."

China has been the largest sending country for international students globally since the early 2010s, with more than 1.02 million Chinese students studying abroad by 2021.[123] This trend was largely driven by students from middle-class and affluent families with various reasons, such as bypassing the highly competitive *Gaokao* system, gaining international experience, pursuing personal development or migration opportunities, accessing what they perceived as higher-quality education at elite global universities, and/or enhancing their employment and career prospects. However, this trend has slowed in recent years due to several factors, including the rapid development of Chinese universities, rising geopolitical tensions, and the impact of the COVID-19 pandemic. Outbound student numbers dropped by 36% in 2020 alone, and while the numbers have rebounded to some extent, they remain below the pre-pandemic trajectory.[124] Meanwhile, the number of returnees—Chinese students returning home after overseas study—has increased steadily. Since 2012, more than 80% of overseas Chinese students have returned home, which is a drastic increase from about 5% in 1987 and 30.6% in 2007.[125]

Higher education in China is funded by central government, student tuition fees, and via donations, projects, and other associated but non-recurring incomes.[126] In 2022, around 79% of education funding came from the government, 14% from tuition fees, and 18% from earnings from research and projects. In 2023, government spending on education in China accounted for 4% of the country's GDP, reflecting the continued prioritisation of education in national policy. Of this, 1.76 trillion RMB was allocated to higher education, amounting to approximately 1.36% of GDP.[127]

[123] China Daily (2024, March 16) *More Chinese students choose to return after overseas study*. Available at: https://www.chinadaily.com.cn/a/202403/16/WS65f4e78ba31082fc043bcf71.html

[124] Economist Intelligence Unit. (2023) *In charts: The changing picture of China's outbound study*. https://www.eiu.com/n/in-charts-the-changing-picture-of-chinas-outbound-study/

[125] Sun, X. and Wu, H. (2024) More STEM PhDs come home as China's global standing soars, *University World News*. Available at: https://www.universityworldnews.com/post.php?story=20241015145513146

[126] Yang, P. (2018) Higher Education Financing in China. In: Peters, M. (ed) *Encyclopedia of Educational Philosophy and Theory*, Springer. https://doi.org/10.1007/978-981-287-532-7_665-1

[127] People's Daily (2024) *China's total education expenditure exceeded 6.46 trillion yuan in 2023, implementing the education-first development strategy*. The State Council of the People's Republic of China, August 14. Available at: https://www.gov.cn/lianbo/bumen/202408/content_6968201.htm

Issues relevant to social mobility have long been a policy concern in China, although the term itself is rarely used in the context of education policy. Instead, concepts such as *educational equity*, *equality, and fairness* are more commonly employed.

As China Expert 1 explained:

"Social mobility is developed from the West, and we particularly tend to use quantitative measures to look at it. ... When we talk about social mobility in China, we can use the concept developed primarily from the Western context, but we also need to take into consideration the unique Chinese social and political circumstances."

In 2019, the Chinese government issued its *Opinions on Promoting System and Mechanism Reform for the Social Mobility of Labour and Talent*, marking a significant moment in which the term 社会性流动 (which can be translated as 'social mobility') was explicitly used in official policy discourse. This policy refers to a broad spectrum of strategies to improve upward mobility, including reforms to the household registration (*hukou*) system, expansion of access to public services, and support for employment and career development across both urban and rural areas. Education is framed as a key channel to 'break the intergenerational transmission of poverty'. In particular, the policy promises to:

"Continue to implement the coordinated enrolment plan to support central and western regions, the special admissions programme for key universities to recruit students from rural and impoverished areas, the East–West cooperation initiatives in vocational education, and the '1,000 Schools for Skills-based Poverty Alleviation' programme; to support the construction of a number of vocational schools (including technical schools) in designated poor counties through paired assistance; and to increase opportunities for students from rural areas, impoverished regions, and poor families to enter universities and receive high-quality higher education."

China lacks publicly accessible administrative microdata on graduate outcomes, making it hard to assess social mobility trends. Researchers there rely instead on large-scale surveys, such as the China Family Panel Studies and the Chinese General Social Survey, which permit analyses by socio-economic status, gender, ethnicity and rural/urban hukou status, but

do not provide the kind of administrative linkage possible in Nordic settings.

Widening participation: access and outcomes

Over recent years, the state has reaffirmed its commitment to equity and access, setting targets to expand enrolment in high-quality undergraduate programmes and postgraduate education, and redistributing new educational resources to less-developed regions, such as central and western provinces and ethnic minority areas. The aim is to systematically expand enrolment in high-quality undergraduate programmes and postgraduate education, with a particular focus on redistributing new educational resources to less-developed regions, such as central and western provinces and ethnic minority areas.[128] This targeted redistribution represents an explicit effort to narrow regional disparities in access and promote social equity through education, reinforcing the broader goals of balanced development and inclusive modernisation.

The impact of higher education on social mobility has shifted over time. Ding[129] found that access to higher education for urban students equalised in the 1990s. From the 2000s onwards, students from more advantaged social and economic backgrounds increasingly gained access to educational resources of superior quality.

Yet China's rapid higher education expansion has not necessarily led to greater equity or enhanced social mobility. Wang et al. examined the barriers preventing students from poor families in China from accessing higher education. Their research was based on two sets of original survey data: one drawn from a random sample of high school students in Shaanxi Province, and the other comprising census data of all first-year university students at four institutions in Sichuan, Anhui, and Shaanxi. The study found that university enrolment rates among students from low-income families were significantly lower than those of their peers from non-poor households.[130] Ye and Ding, using data from the 2011 Survey on the Development of University Students in Beijing, found that students from families with higher educational, economic, and occupational status were more likely to attend top secondary schools, which in turn increased their

[128] Central Committee of the Communist Party of China and State Council. (2024) *Outline for Building a Leading Education Power (2024–2035),* The Central People's Government of the People's Republic of China. Available at: https://www.gov.cn/zhengce/202501/content_6999914.htm

[129] Ding, X. (2007) Expansion and equality of access to higher education in China, *Frontiers of Education in China*, 2, 151–162. https://doi.org/10.1007/s11516-007-0013-z

[130] Wang, H. (2011) Access to higher education in China: Differences in opportunity, *Frontiers of Education in China*, *6*, 227-247.

chances of entering prestigious universities. They argue that university-level stratification mainly reflects earlier-stage inequalities, with family background shaping access through non-academic factors. They thus suggest that promoting social mobility requires more than expanding elite universities; broader reforms are needed across the school systems, non-elite institutions, vocational colleges, and polytechnics.[131] Wu et al., using data from the 2015 Chinese General Social Survey conducted by the National Survey Research Centre at Renmin University of China, analysed responses from 5,822 individuals. The study examined changes in higher education access before and after expansion across several dimensions: gender, ethnicity, urban-rural residence, *hukou* status, and parental education level. The authors concluded that while the number of higher education opportunities increased substantially, the majority of these opportunities continued to be taken up by socially advantaged groups. Inequalities between urban and rural *hukou* (household registration) holders, as well as among individuals from different socio-economic backgrounds, remained largely unchanged after expansion.[132]

Student subject choices are also stratified, influenced by labour market dynamics and broader economic development. China Expert 2 explained how students' choices of majors are related to their socio-economic backgrounds:

"Some majors are more commonly chosen by students from particular family backgrounds. For instance, some research suggests that students from less advantaged families are more likely to choose STEM fields, because they believe those majors lead directly to jobs. Students from rural areas – and their parents – often prefer majors that lead to more stable, well-defined job prospects."

"Students from wealthier families – in Zhejiang and Anhui, for example – often do not consider employment prospects when choosing their majors. They simply go with what they enjoy. Their parents do not place that kind of pressure on them. Many of them choose to join liberal arts programmes because they want to

[131] Ye, X. and Ding, Y. (2015) Expanding Chinese higher education: Quality and social stratification. Chinese Journal of Society, 35, 3, 193–220. [in Chinese]

[132] Wu, L., Yan, K. and Zhang, Y. (2020) Higher Education Expansion and Inequality in Educational Opportunities in China, Higher Education, 80, 3 549–70. https://www.jstor.org/stable/48736427

explore their interests. Some choose sociology or philosophy simply out of curiosity or passion." (China Expert 2)

Access to higher education is important, but is not the only aspect of social mobility, as the other expert interviewee emphasised:

"Access is really important, but we also need to look at the university experiences and post-university options – to what extent higher education can actually help students, particularly those from underprivileged families, to have a meaningful destination, for instance in terms of job and better life opportunities." (China Expert 1)

No official national-level data have been released regarding higher education graduation or dropout rates in China, nor statistics that reveal differences in completion rates across social groups such as urban–rural background, socio-economic status, gender, or ethnicity. As China Expert 1 explained:

"Students from Western rural areas [in China] have significantly fewer opportunities to go to university and having a meaningful transition from university to the labour market. If we look at educational attainment by students at a schooling level, which is a very important indicator for their opportunity to higher education, you can see that Western, particularly rural areas, still lag behind the Central and Eastern regions. And of course, if we look at the ethnic minorities, predominantly concentrated in Western areas, they are an additional kind of underprivileged group."

National-level policies support student retention and completion amongst ethnic minority groups, remote areas, and impoverished regions, which aligns with the country's broader economic and political strategies. The Chinese government places strong emphasis on addressing dropout issues among students from ethnic minority groups, remote areas, and impoverished regions. The 2013 Education Poverty Alleviation Project policy included the implementation of targeted admission plans for poor areas in order to expand access to high-quality higher education.[133] Specific measures include giving preferential allocation of university

[133] The State Council of the People's Republic of China (2013) *Circular of the General Office of the State Council on implementing the education poverty alleviation project*. State Council Gazette. Available at: https://www.gov.cn/gongbao/content/2013/content_2489964.htm

enrolment quotas to designated provinces and opening ethnic preparatory programmes and minority classes to students in ethnic minority regions.

Policies aimed at improving higher education completion rates among disadvantaged groups are applied before university entry. This is a response to evidence that students from low-income families have significantly lower university enrolment rates than their more advantaged peers, and that the real barriers to access and success are often found before students even reach high school.[134] Both China experts echoed this point that the educational inequalities started well before higher education, such as from primary and secondary schools:

"In small towns where there are many farmers, they're very aware that, for families in that area, going to school locally makes it impossible to get into a good university. It's just not possible at all. If the quality of local teaching is poor, then no matter how hard the student works, they are still unlikely to get into a good university. From the standpoint of intergenerational mobility, this is a fundamental issue – you don't even reach the starting point of having a chance to enter a good university." (China Expert 2)

The Education Poverty Alleviation Project policy also proposed a series of targeted policy measures to address inequalities in graduate employment outcomes:

- Enhancing the alignment between education and industry to improve employability
- Implementing targeted employment and entrepreneurship policies
- Supporting employment for graduates who studied outside their home regions
- Promoting school–local government cooperation and integration of industry with education.

Research has found that in China, education from an elite institution can play a largely positive role in supporting students' employment within the state system. According to Ma, Chinese students' chances of being

[134] Wang, H. (2011) Access to higher education in China: Differences in opportunity, *Frontiers of Education in China*, *6*, 227-247.

employed in the state system are impacted by: 'academic degree > from key university > job search information from parents or relatives > parent working in the state system'.[135] Given that jobs within the state system are associated with higher social status, greater stability, and better benefits, they are widely regarded as a scarce and desirable resource by both students and their parents. One expert interviewee explained that stratification becomes more pronounced at times of economic uncertainty:

"Sometimes companies make it very clear in their job advertisements that they are only looking for graduates from [Project] 985 or 211 universities. Others may not say so directly, but when they screen CVs, they use those exact criteria. ... it reflects how clearly stratified China's higher education system is. The more elite the university, the more access students will have to opportunities, and the greater their potential for intergenerational mobility." (China Expert 2)

"That's also part of why some people today is saying things like 'education is useless.' What they mean is that if you attend a very ordinary university, you might pay tens of thousands of RMB a year in tuition, but after graduation, your salary might not even reach that level – or you might not find a job at all. Everyone is asking: How are Peking and Tsinghua graduates doing in the job market this year? Of course, they're fine – 100% employment. But on the other end, with the economic instabilities, students from lower-tier institutions are struggling." (China Expert 2)

For students at elite universities, higher education opens up significant opportunities for upward social mobility. This is one reason the government has prioritised support for students from disadvantaged backgrounds to enter top-tier institutions.

Whilst tuition fees are not a major barrier, the lowest tier private colleges are allowed to charge higher fees. This has an impact on inequalities, as students from disadvantaged social backgrounds, and those whose parents have lower educational attainment, are significantly less likely to gain admission to elite universities.[136] Moreover, students from poor rural

[135] Ma, L. (2024) Student mobility since the expansion of higher education in China, London: Routledge, p.195

[136] Luo, Y., Guo, F. and Shi, J. (2018) Expansion and inequality of higher education in China: How likely would Chinese poor students get to success? Higher Education Research and Development, 37, 5, 1015-1034. https://doi.org/10.1080/07294360.2018.1474856

areas are seven times less likely to enter university compared to urban students, and eleven times less likely to be admitted to prestigious '211 Project' universities. These gaps are even more pronounced among subgroups such as female, ethnic minority students from impoverished rural areas.[137]

In 2024, the Chinese government implemented new policies of financial aid aimed 'at rewarding outstanding students and supporting those from economically disadvantaged backgrounds',[138] including doubling the number of scholarships, and increasing financial aid and student loans.

Overall, the government has recognised that simply expanding the scale of higher education is no longer sufficient to address employment inequalities. As a result, it has emphasised the need for structural alignment between educational content and industrial demand. At the same time, in response to the employment difficulties faced by graduates from poor and disadvantaged regions, the government has developed highly targeted incentive and support mechanisms. Having said this, policy support appears to have fallen short of expectations in both improving access to higher education for disadvantaged social groups and addressing the employment challenges faced by college graduates. In terms of employment, the current state of labour market progression remains discouraging for marginalised groups.

The latest data suggest that the situation for graduates remains highly challenging, and the external environment is becoming increasingly complex and severe.[139] Some industries and enterprises continue to face significant difficulties, and the growing number of college graduates places continued pressure on the job market for this group. Previous studies have also identified serious employment problems following the expansion of higher education in China. For instance, Mok and Wu point out that although precise data are difficult to obtain, in 2013, it appeared that only 38% of graduates had secured formal employment contracts.[140]

[137] Li, H., Loyalka, P., Rozelle, S., Wu, B. and Xie, J. (2015) Unequal Access to College in China: How Far Have Poor, Rural Students Been Left Behind? *The China Quarterly*, 221, 185–207. http://www.jstor.org/stable/24742007.

[138] The State Council of the People's Republic of China. (2024) *China refines financial aid for students*. Available at: https://english.www.gov.cn/news/202410/14/content_WS670c7b17c6d0868f4e8ebd4c.html n.p.

[139] National Bureau of Statistics of China (2024) *China Statistical Yearbook 2024,* Beijing, China Statistical Press. Available at: https://www.stats.gov.cn/sj/ndsj/2024/indexeh.htm

[140] Mok, K. H. and Wu, A. M. (2016) Higher education, changing labour market and social mobility in the era of massification in China, *Journal of Education and Work*, 29, 1, 77-97. https://doi.org/10.1080/13639080.2015.1049028

Referring to the China Statistical Yearbook, they also note that between 1996 and 2010, the employment rate declined from 93.7% to 72.2%. Following the rapid expansion of higher education in 1999, Chinese graduates have faced increasing challenges in the labour market. At a minimum, university graduates now face more intense competition in job seeking, are likely to spend more time finding employment, and are at higher risk of unemployment. This situation is likely to disadvantage those from poorer backgrounds particularly, who have experienced significantly higher rates of unemployment.

Student funding and finance

Both China experts interviewed noted that tuition fees are not the primary barrier to Chinese students' access to higher education.

"Tuition fee is not a major concern for students to go to university in China. Because it's very culturally specific – Chinese parents are still very willing to fund their children's education and tuition fees, and partly because of the one-child policy, if they only have one child. For many students I interviewed, many saw this as a sort of investment from their parents. ... And the tuition fees are still relatively low. If we look at the disposable income level and ratio to disposable income level, at particular provinces and particular regions, it is still affordable for particularly middle-class families." (China Expert 1)

"Tuition fees for higher education in China aren't that high, but there are still some students who may not be able to afford them. In this respect, the government also has some relevant support policies in place. Under current policies, no student in China would be unable to attend university simply because they cannot pay tuition. Student financial aid policies have been in place for quite a long time now. If a student really cannot afford the tuition, there is something called the "green channel" – you can enrol and start classes without paying tuition upfront. Then you can either apply for a student loan or assistance as an impoverished student. Of course, if you perform well later, you can also apply for scholarships and other types of support. So, this is really not a problem, especially considering that tuition fees in China are very low." (China Expert 2)

Luo et al. highlight a paradox in China's tuition policy: while the central government grants top-tier public universities autonomy in admissions, it simultaneously allows lower-tier private institutions to charge significantly

higher tuition fees.[141] In 2006, the Ministry of Education, the National Development and Reform Commission, and the Ministry of Finance jointly issued a regulation stipulating that all centrally affiliated public universities must cap annual tuition fees—excluding arts and medical programs—at RMB 5,000. However, independent colleges affiliated with these public universities are permitted to charge up to RMB 10,000 per year, whereas private universities often charge as much as RMB 20,000 annually. This pricing structure presents a paradox: students who gain admission to prestigious public universities pay relatively low tuition for high-quality education, while those with lower entrance exam scores must pay double or triple the fees for what is viewed by many as lower quality education at private institutions. China Expert 2 also noted this situation:

"The better the university in China, the lower the tuition tends to be. The worse the school, the higher the tuition. For students from disadvantaged backgrounds, if they have good academic performance, the resources they can access are actually greater, and their chances for upward mobility are much higher. On the other hand, if their academic scores are not good, they might end up at a vocational college, a third-tier institution (*sanben*), or a private institution, where the annual tuition is many times higher than that of Peking or Tsinghua University. That's actually what they cannot afford." (China Expert 2)

This has an impact on inequalities, as students from disadvantaged social backgrounds, and those whose parents have lower educational attainment, are significantly less likely to gain admission to elite universities.[142] This finding is supported by Li et al. who analysed data from students taking the National College Entrance Examination (*Gaokao*). Their results show that, even after the expansion of higher education, substantial disparities persist. Specifically, students from poor rural areas are seven times less likely to enter university compared to urban students, and eleven times less likely to be admitted to prestigious '211 Project' universities. These

[141] Luo, Y., Guo, F. and Shi, J. (2018) Expansion and inequality of higher education in China: How likely would Chinese poor students get to success? *Higher Education Research and Development*, 37, 5, 1015-1034. https://doi.org/10.1080/07294360.2018.1474856

[142] Luo, Y., Guo, F. and Shi, J. (2018) Expansion and inequality of higher education in China: How likely would Chinese poor students get to success? *Higher Education Research and Development*, 37, 5, 1015-1034. https://doi.org/10.1080/07294360.2018.1474856

gaps are even more pronounced among subgroups such as female, ethnic minority students from impoverished rural areas.[143]

In 2013, the State Council of the People's Republic of China issued a national policy document aimed at alleviating educational poverty. The policy called for a robust student financial aid system, prioritising support for economically disadvantaged students from poor rural families to ensure that financial hardship does not force students to drop out. This includes tuition waivers, national grants, and subsidies for living expenses such as accommodation and transportation, with additional support provided for students studying away from home. The extent to which these financial aid policies have been effectively implemented remains questionable. Mok and Wu, surveying 1,200 students across six universities in Guangzhou, found that 71.5% of respondents felt that government support for financially disadvantaged students was inadequate. Only 12.5% felt that the government had provided sufficient resources to help these students improve their academic performance and competitiveness.[144]

More recently, the Chinese government implemented new policies of financial aid which aimed 'at rewarding outstanding students and supporting those from economically disadvantaged backgrounds'.[145] Whilst it is too early to assess the impact of these financial interventions, it signals that the Chinese government are mindful of supporting students through education: the number of students receiving the National Scholarship doubled at each level (undergraduate, master's, doctoral); there was an increase in the financial award to low-income students; and the maximum student loan amount increased for both undergraduate students and postgraduate students.

Relationship between higher and technical routes

The vocational education system in China at tertiary level is split between Polytechnic Colleges; Specialised Junior Colleges; and Technical Colleges, each of which play a distinct role in the vocational education landscape. Polytechnic Colleges offer practical and industry focussed education; Specialised Junior Colleges provides sector-specific training (e.g.

[143] Li, H., Loyalka, P., Rozelle, S., Wu, B. and Xie, J. (2015) Unequal Access to College in China: How Far Have Poor, Rural Students Been Left Behind?, *The China Quarterly*, 221, 185–207. http://www.jstor.org/stable/24742007.

[144] Mok, K. H. and Wu, A. M. (2016) Higher education, changing labour market and social mobility in the era of massification in China, *Journal of Education and Work*, 29, 1, 77-97. https://doi.org/10.1080/13639080.2015.1049028

[145] The State Council of the People's Republic of China. (2024) *China refines financial aid for students*. Available at: https://english.www.gov.cn/news/202410/14/content_WS670c7b17c6d0868f4e8ebd4c.html

agriculture), and Technical Colleges offer practical skills for trades. Vocational education continues to face perceptions of low status and quality.

The 2019 *Implementation Plan on National Vocational Education Reform* included proposals to build 50 high-level vocational universities and develop 150 professional clusters aligned with strategic industries. The plan was seen as placing new importance on vocational education as an engine of both economic growth and social development.[146] China Expert 1 commented on the potential of vocational and technical education in China in promoting social mobility:

"One thing we cannot change is the stratification. Because some institutions, like the Ivy League, have hundreds of years of reputation. You cannot just persuade people to stop pursuing that. But on the other hand, I think it's also a really exciting opportunity to open up new spaces – for competition and for expanding access and mobility. It's a chance to transform vocational and technological education, especially given the rise of the AI industry. I think it's a great opportunity for students from relatively underprivileged backgrounds to pursue skills that will be truly relevant – for instance, in AI and the digital economy in the future. Given how quickly AI has developed – much faster than we anticipated – alongside the rise of the digital economy, there's now a real opportunity to open up new spaces for upward social mobility."

The China Expert 1 illustrated the transformative role of AI and the importance of upskilling in advancing women's employment opportunities:

"In the Western regions, many of the women entering the AI industry are those who have traditionally faced limited opportunities – for instance, women with disabilities or single mothers who struggled to find work. Some of them used to work in Eastern cities like Shanghai or Guangzhou as housekeepers or cleaners. But after having children, they couldn't continue those jobs and didn't want to be separated from their families by returning to the cities."

"What is interesting is that they've now found employment opportunities in the AI industry. Because of the labour cost differences between Eastern and Western

[146] Liu, S. and Hardy, I. (2023) Understanding Chinese national vocational education reform: a critical policy analysis, *Journal of Vocational Education and Training*, 75, 5, 1055-1077.

regions, many AI companies have mapped out a value chain that extends into the Western areas, making it cost-effective to invest in training camps there. As a result, many women have been able to take up flexible jobs – for example, working on data labelling tasks in front of a computer, rather than doing physically demanding and stigmatised labour like household cleaning."

"So, I genuinely believe that transforming China's vocational and technological education could help open new pathways for social mobility, especially for marginalised groups like these women." (China Expert 1)

There are significant regional imbalances in vocational education provision in China, as in higher education. The vast majority of productive and higher-value industries in China are concentrated in the richer eastern regions. Supported by stronger economies, more developed cultural and environmental resources, and more effective policy implementation, vocational institutions in eastern China are significantly more advanced in terms of their scale and teaching strength. In contrast, investment in and support for vocational colleges in Western China remain relatively stagnant. This pattern of development reflects the long-standing national strategy of 'letting some regions get rich first', a key tenet of the Chinese path to socialism.[147]

The role of higher education in intergenerational social mobility

Since China's market reforms, industrialisation has expanded occupational opportunities, but underlying levels of educational and intergenerational social mobility have declined.[148] The capacity of higher education to function as a mobility channel has weakened over time.

Wu et al.[149] show that the 1999 expansion did not substantially reduce inequalities in access; instead, new opportunities were largely captured by advantaged groups (urban *hukou* holders, high-SES families). Policies like the 'Double First-Class' initiatives concentrated resources in a small number of elite universities, turning them into narrow gates for upward

[147] Qiao, X. (2016) The Logical Demonstration on the" First Rich Rich Rich Together" Theory Management. In *4th International Conference on Management Science, Education Technology, Arts, Social Science and Economics 2016* (pp. 1200-1205) Atlantis Press. Available at: https://www.atlantis-press.com/proceedings/msetasse-16/25865318

[148] Xie, Y., Dong, H., Zhou, X. and Song, X. (2022) Trends in social mobility in post-revolution China, *Proceedings of the National Academy of Sciences*, 119, 7, e2117471119. https://doi.org/10.1073/pnas.2117471119

[149] Wu, L., Yan, K. and Zhang, Y. (2020) Higher Education Expansion and Inequality in Educational Opportunities in China, *Higher Education* 80, 3, 549–70. https://www.jstor.org/stable/48736427

mobility.[150] Mok[151] contends that 'those who hold top-tier four-year university degrees can enjoy more chances for upward occupational and social mobility'. Meanwhile, non-elite degrees face declining marginal value, contributing to credential inflation and overeducation. Recent data suggest that the employment situation for graduates remains highly challenging. Students from poorer backgrounds experience significantly higher rates of unemployment.[152]

Scholars argue that the massification of higher education has led to institutional stratification, an oversupply of degree-holders, and diminishing educational returns. University degrees no longer guarantee desirable employment but serve merely as minimum qualifications.[153] As a result, educational inequality is shifting from access-based disparities to outcome-based disparities, where social and cultural capital—rather than credentials—determine labour market success.[154] For students from low socio-economic groups, higher education increasingly fails to deliver upward mobility.

Denmark

System overview

Denmark has a long history of higher education, dating back to the foundation of the University of Copenhagen in 1479. The sector expanded significantly following the second world war. Indeed, the number of university places nearly tripled between 1979 and 2018.[155] This expansion has been underpinned by a commitment to state funding through

[150] Zhang, N. and Fan, H. (2024) The intergenerational mobility effects of higher education expansion in China, *International Journal of Educational Development, 111*. https://doi.org/10.1016/j.ijedudev.2024.103169

[151] Mok, K. H. (2016) Massification of higher education, graduate employment and social mobility in the Greater China region, *British Journal of Sociology of Education*, 37, 1, 51-71. https://doi.org/10.1080/01425692.2015.1111751 p.53

[152] Mok, K. H. and Wu, A. M. (2016) Higher education, changing labour market and social mobility in the era of massification in China, *Journal of Education and Work*, 29, 1, 77-97. https://doi.org/10.1080/13639080.2015.1049028

[153] Mok, K. H. and Wu, A. M. (2016) Higher education, changing labour market and social mobility in the era of massification in China, *Journal of Education and Work*, 29, 1, 77-97. https://doi.org/10.1080/13639080.2015.1049028; Xu, B. (2021) From massification towards post-massification: Policy and governance of higher education in China, *International Journal of Chinese Education*, 10, 3. https://journals.sagepub.com/doi/10.1177/22125868211046032

[154] Mok, K. H. and Wu, A. M. (2016) Higher education, changing labour market and social mobility in the era of massification in China, *Journal of Education and Work*, 29, 1, 77-97. https://doi.org/10.1080/13639080.2015.1049028; Xu, B. (2021) From massification towards post-massification: Policy and governance of higher education in China, *International Journal of Chinese Education*, 10, 3. https://journals.sagepub.com/doi/10.1177/22125868211046032

[155] Munk, M.D. and Thomsen, J-P. (2018) Horizontal Stratification in Access to Danish University Programmes, *Acta Sociologica* 61, 1, 50–78. https://www.jstor.org/stable/48561348.

taxation,[156] and university places nearly tripled between 1979 and 2018.[157] In the 2000s, a series of mergers reduced the total number of institutions to around thirty. 60% of students attend universities, 30% university colleges, and 10% business and professional academies.[158] All are regulated by national legislation and accredited by national, independent accreditation agencies and the national Accreditation Council.[159]

Denmark thus has a less unitary structure than its Nordic neighbours, and it is not always easy to move between types of institution – for example, in some areas, it is difficult for students with a professional bachelor's degree from a university college to progress to a university for a master's degree.[160]

Governance of higher education has also changed markedly over recent decades. Following the student protests of 1968, Danish universities adopted democratic governing structures, with academic and administrative staff, as well as students, represented in all decision-making bodies. Reforms implemented in 1993 shifted the balance of power towards the university leadership. Then, in 2003, corporate-like structures were introduced, including boards with appointed (rather than elected) leaders, and a majority of external members.[161] Institutional boards are responsible for overseeing the budget, appointing the rector, and agreeing the institutional contract with the Ministry of Higher Education and Science. The former democratic decision-making bodies that boards replaced were typically turned into advisory councils. The process for appointing to managerial positions within universities also changed – now

[156] Helland, H., Strømme, T.B and Thomsen, J.-P. (2024) Social inequality in dropout rates in higher education: Denmark and Norway, *Studies in Higher Education*. https://doi.org/10.1080/03075079.2024.2431588

[157] Munk, M.D. and Thomsen, J-P. (2018) Horizontal Stratification in Access to Danish University Programmes, *Acta Sociologica* 61, 1, 50–78. https://www.jstor.org/stable/48561348.

[158] Ministry of Higher Education and Science (2025) *The Danish Higher Education System.* Available at: https://ufm.dk/en/education/higher-education/the-danish-higher-education-system; Hansen, H.F. (2020) Higher education systems and institutions, Denmark, in: Amaral, A. et al. (eds) *The International Encyclopaedia of Higher Education Systems and Institutions* Springer. pp.980-985.

[159] Ministry of Higher Education and Science (2025) *The Danish Higher Education System.* Available at: https://ufm.dk/en/education/higher-education/the-danish-higher-education-system

[160] Hansen, H.F. (2020) Higher education systems and institutions, Denmark, in: Amaral, A. et al. (eds) *The International Encyclopaedia of Higher Education Systems and Institutions* Springer. pp.980-985.

[161] Moutsios, S. (2023) The bureaucratisation of the university: The case of Denmark, *Educational Philosophy and Theory*, 55, 3, 379-391.

such posts are commonly filled through external recruitment exercises, rather than internal election.[162]

A further change over recent years has been the introduction of a strong focus on employability.[163] For example, in 2014 policies were introduced – known as the 'sizing' or 'dimensioning' reforms – to restrict student admission to courses without good labour market outcomes. Degree programmes were required to have advisory boards that included employer representatives. The Danish Government has also sought to incentivise students to move more quickly through their studies and reduce the time for which the study grant is payable.[164]

Denmark typically spends around 1.9% of its GDP on tertiary education (including research and development), compared to an OECD average of 1.5%. This represents 4.8% of all government expenditure compared to an OECD average of 2.7%.[165] In 2023, 43% of 25–64 year-olds in Denmark had some form of tertiary education (5% a short-cycle qualification; the rest at bachelor's level or above), just above the OECD average of 41%.[166] There are, however, quite considerable differences by gender.

The relative earnings of Danish adults with tertiary education, compared to those with only an upper secondary qualification, are less high than in other countries.[167] This is explained largely by the impact of the welfare state and redistributive social policies.

[162] Moutsios, S. (2023) The bureaucratisation of the university: The case of Denmark, *Educational Philosophy and Theory*, 55, 3, 379-391.

[163] Johansen, U.V., Knudsen, F.B., Kristoffersen, C.E., Rasmussen, J.S., Steffen, E.S. and Sund, K.J. (2017) Political discourse on higher education in Denmark: from enlightened citizen to homo economicus, *Studies in Higher Education*, 42, 2, 264-277.

[164] Nielsen, G. and Sarauw, L.L. (2017) 'Tuning up and tuning in: The European Bologna Process and students' time of study', in S. Wright and C. Shore (eds) *Death of the Public University? Uncertain Futures for Higher Education in the Knowledge Economy,* Oxford: Berghahn, pp. 156-172.; Sarauw, L.L. and Madsen, S.R. (2020) Higher education in the paradigm of speed. Student perspectives on the risks of fast-track degree completion, *Learning and Teaching*, 13, 1, 1-23. https://doi.org/10.3167/latiss.2020.130102

[165] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[166] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[167] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

Widening participation: access and outcomes

In general, Denmark has a smaller gap in access to education, by social class, than many other countries,[168] but differences remain, with respect to both access and level of qualification attained, and new forms of stratification have emerged. Analysis of PIAAC data, conducted by others, found that only 37% of 25-44 year-olds in Denmark with parents who had not completed upper secondary education had entered higher education, compared to 75% of those with tertiary-educated parents.[169] Similar discrepancies have been found in attainment. Drop-out rates from university are higher for students from lower socio-economic groups, when compared to their more advantaged counterparts.[170]

Alongside these differences in access, attainment and persistence, is evidence that the nature of the higher education pursued by students is also patterned by social background. Drawing on register data for individuals born in 1984, Munk and Thomsen show how there is social stratification with respect to both programme of study and institution. In relation to the former, they contend:

"Students are particularly likely to study a given field if that field is closely related to their parents' occupation; for example, students have a much greater chance of studying in humanistic-classical, creative, and soft social science programmes if one of their parents is in the teaching or in the arts and social sciences professions than students whose parents are in unskilled occupations."[171]

They also identify differences *within* broad fields of study – showing, for example, that business economics programmes are more socially selective than business communications programmes. There are strong parallels here with Thomsen's earlier work, which demonstrated how the relative chances of different social classes attending specific degree programmes

[168] Munk, M.D. and Thomsen, J-P. (2018) Horizontal Stratification in Access to Danish University Programmes, *Acta Sociologica* 61, 1, 50–78. https://www.jstor.org/stable/48561348.

[169] Borgonovi, F. and Marconi, G. (2020) Inequality in higher education: Why did expanding access not reduce skill inequality?, *Open Education Studies*, 2, 1, 312-343. https://doi.org/10.1515/edu-2020-0110; Tverborgvik, T., Clausen, L.B., Thorsted, B.L., Mikkelsen, S. and Lynge, E. (2013) Intergenerational Educational Mobility in Denmark, *Scandinavian Journal of Educational Research*, 57, 5, 544-560. https://doi.org/10.1080/00313831.2012.696211

[170] Helland, H., Strømme, T.B and Thomsen, J.-P. (2024) Social inequality in dropout rates in higher education: Denmark and Norway, *Studies in Higher Education*. https://doi.org/10.1080/03075079.2024.2431588

[171] Munk, M.D. and Thomsen, J-P. (2018) Horizontal Stratification in Access to Danish University Programmes, *Acta Sociologica* 61, 1, 50–78. https://www.jstor.org/stable/48561348.

were affected by the cultural practices associated with different programmes of study and their importance relative to other factors in the lives of students. He concludes that access is more equitable in programmes where the dominant cultural practice is relatively less important for a successful educational career.[172] Munk and Thomsen show that those in metropolitan areas and with prestigious programmes are more socially selective. Such findings have emerged from other studies, too – highlighting, for example, how the proportion of students from lower socio-economic groups is considerably higher in the university college sector than in universities.[173]

With respect to gender, 55% of new entrants to higher education are women, compared to an OECD average of 56%.[174]As with other OECD countries, there are large disparities, by gender, in the subjects students pursue in Denmark: for example, the OECD 2024 report notes that only 16% of women entering tertiary education were studying science, technology, engineering and mathematics (STEM) subjects compared to 36% of men.

Student funding and finance

The Danish higher education system is underpinned by a commitment to universalism. All Danish students, irrespective of background, are entitled to public funding for their higher education. Tuition at Danish public institutions is free; only international students from outside the European Union are required to pay fees. In addition, Danish students receive a non-repayable grant to cover their living costs for the duration of their degree.[175] This is reduced by 20% if they live with their parents. The universal nature of this funding is not approved by all. Indeed, one of the expert interviewees noted:

"It's contentious right in the same sense that a lot of upper middle-class kids, they go to higher education and they get these public transfers and they make a

[172] Thomsen, J.P. (2012) Exploring the heterogeneity of class in higher education: social and cultural differentiation in Danish university programmes, *British Journal of Sociology of Education*, 33, 4, 565-585. https://doi.org/10.1080/01425692.2012.659458

[173] Börjesson, M., Ahola, S., Helland, H. and Thomsen, J.-P. (2014) *Enrolment Patterns in Nordic Higher Education ca 1945 to 2010: Institutions, Types of Education and Fields of Study,* Oslo, NIFU.

[174] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[175] Ministry of Higher Education and Science (2025) *About SU Loans.* Available at: https://www.su.dk/su-laan/om-su-laan

lot of money in their in their lifetime. So it's one of the few transfers in Denmark that is regressive." (Danish Expert 1)

Students are also able to take out a government loan if the income from their grant is not sufficient.[176] Such loans are available only to students not living with their parents, and must be repaid with 7-15 years at an interest rate set by the Danish Parliament.[177] Students must start to repay their loan no later than one year after having graduated.[178] The student grant system – introduced in the 1960s – is generous, compared to many other countries in the world.[179]

Nevertheless, in recognition of the significant costs to the taxpayer, since 2014, the Danish Government has taken steps to incentivise students to move more quickly through their studies and thus reduce the time for which the study grant is payable.[180] The latest set of reforms were passed in 2024 and are due to come into effect in 2027 – for all students who started a higher education course on 1 July 2025 or later. Under the new rules, the student grant will be available only for the prescribed duration of a degree programme – and not for the additional 12 months that students can currently take advantage of. There are, however, exceptions: students with disabilities, for example, will still be eligible to receive a grant for the additional 12 months.[181] Moreover, as part of the 2027 changes, students will be able to apply for a 'completion' loan from the government for a maximum of 24 months, if they need to continue their studies beyond the prescribed duration of their degree.[182] Despite the relatively generous funding system in Denmark, expenditure per student in tertiary education

[176] Ministry of Higher Education and Science (2025) *About SU Loans.* Available at: https://www.su.dk/su-laan/om-su-laan

[177] OECD (2021) *Resourcing higher education in Denmark. Thematic policy brief.* Available at: https://www.oecd.org/en/publications/resourcing-higher-education-in-denmark_c8217325-en.html

[178] OECD (2021) *Resourcing higher education in Denmark. Thematic policy brief.* Available at: https://www.oecd.org/en/publications/resourcing-higher-education-in-denmark_c8217325-en.html

[179] Clark, G. and Hørlyk Kristensen, M. (2025) *The myth of Nordic mobility: Social mobility rates in modern Denmark and Sweden*, EHES Working Paper, No. 275, European Historical Economics Society (EHES). https://ehes.org/wp/EHES_275.pdf. Tverborgvik, T., Clausen, L.B., Thorsted, B.L., Mikkelsen, S. and Lynge, E. (2013) Intergenerational Educational Mobility in Denmark, *Scandinavian Journal of Educational Research*, 57, 5, 544-560. https://doi.org/10.1080/00313831.2012.696211

[180] Nielsen, G. and Sarauw, L.L. (2017) 'Tuning up and tuning in: The European Bologna Process and students' time of study', in S. Wright and C. Shore (eds) *Death of the Public University? Uncertain Futures for Higher Education in the Knowledge Economy,* Oxford: Berghahn, pp. 156-172.

[181] Ministry of Higher Education and Science (2025) *SU Reform.* Available at: https://www.su.dk/su-reform/su-reform-in-english

[182] Ministry of Higher Education and Science (2025) *SU Reform.* Available at: https://www.su.dk/su-reform/su-reform-in-english

(when excluding research and development) is lower than the OECD average – at $12,245, compared to $14,077.

Relationship between higher and technical routes

Vocational education and training have a prominent place in the broader Danish education system. The systems of general education and vocational education offer equivalent qualifications at various levels, with the aim of allowing both vertical and horizontal permeability.[183] However, transfer between systems is not always smooth: as mentioned above, it is often difficult for those with professional bachelor's qualifications from university colleges to secure a place for a master's degree at a university.

Studies that have examined this 'horizontal stratification' have shown how this often relates to the extent to which institutions offer vocational or applied programmes – with students from lower socio-economic groups (even with the same levels of upper secondary attainment) more likely to choose to study vocational programmes. Munk and Thomsen argue that 'first-generation students will aim for applied programmes that align with the students' strong orientation towards future job opportunities .... In other words, institutions with a large proportion of applied programmes contribute to educational mobility'[184]. Nevertheless, they also observe that 'As long as specific recruitment patterns co-vary so strongly with social class origin, even net of cognitive ability, the reality of enrolment in higher education continues to conflict with societal ideals regarding equality of educational and occupational opportunity'.[185]

Role of higher education in intergenerational social mobility

Denmark has, in general, a reputation for relatively high social mobility.[186] Nevertheless, research has differentiated between intergenerational *income* mobility, and intergenerational *education* mobility. Indeed, Landersø and Heckman show that the former is much greater than the

[183] CEDEFOP and University College Copenhagen (UCC) (2023) Vocational education and training in Europe – Denmark: system description. In CEDEFOP and ReferNet. (2024) *Vocational education and training in Europe: VET in Europe database – detailed VET system descriptions* [Database]. Available at: https://www.cedefop.europa.eu/en/tools/vet-in-europe/systems/denmark-u3

[184] Munk, M.D. and Thomsen, J-P. (2018) Horizontal Stratification in Access to Danish University Programmes, *Acta Sociologica* 61, 1, 50–78. https://journals.sagepub.com/doi/abs/10.1177/0001699317694941

[185] Munk, M.D. and Thomsen, J-P. (2018) Horizontal Stratification in Access to Danish University Programmes, *Acta Sociologica* 61, 1, 50–78. https://journals.sagepub.com/doi/abs/10.1177/0001699317694941

[186] Clark, G. and Hørlyk Kristensen, M. (2025) *The myth of Nordic mobility: Social mobility rates in modern Denmark and Sweden*, EHES Working Paper, No. 275, European Historical Economics Society (EHES). Available at: https://ehes.org/wp/EHES_275.pdf

latter.[187] They contend that intergenerational income mobility seen in Denmark is largely a result of redistributive tax policies, alongside policies that reduce disparities in wages – for example, through facilitating effective collective wage bargaining.

Karlson and Landersø's work demonstrates that intergenerational education mobility increased significantly for cohorts born between the 1940s and the 1960s because of major school reforms in 1958 and 1972.[188] However, mobility has been declining for those born since the 1970s and 1980s. Affluent families have been able to promote (more effectively than less advantaged families) their child's access to higher education. As one of the expert interviewees noted, 'it's been predominantly the middle class and upper middle class that have exploited that expansion … that's actually driven down mobility in education on average in the population' (Danish Expert 1).

Several explanations have been offered for this decline. Heckman and Landersø[189] argue that, although Denmark's education policies have helped to increase the cognitive test scores of children from more disadvantaged backgrounds, these have not translated into more favourable educational outcomes. This, they suggest, is due to several factors. They maintain that wage compression and the high level of welfare benefits have not served to reduce incentives to pursue education – thus 'egalitarian childhood policies' have not been converted into educational mobility. In addition, Heckman and Landersø point to the better ability of advantaged families to access, use and help shape universally available welfare provision and their tendency to cluster together in the same neighbourhood – both of which affect the quality of education their children receive. They write:

"The persistence of inequality in human capital formation and education in Denmark suggests that it will be fruitful to pursue a much deeper understanding

[187] Landersø, R. and Heckman, J. (2017) The Scandinavian Fantasy: The Sources of Intergenerational Mobility in Denmark and the US, *Scandinavian Journal of Economics*, 119, 1, 178-230. DOI: 10.1111/sjoe.12219 ; Heckman, J. and Landersø, R. (2021) *Lessons from Denmark about Inequality and Social Mobility* (NBER Working Paper 28543), Cambridge, MA, NBER. https://www.nber.org/papers/w28543 and Heckman, J. and Landersø, R. (2022) Lessons for Americans from Denmark about inequality and social mobility, *Labour Economics*, 77, 101999. https://doi.org/10.1016/j.labeco.2021.101999

[188] Karlson, K. and Landersø, R. (2025) The making and unmaking of opportunity: educational mobility in 20th century Denmark, *Scandinavian Journal of Economics*, 127, 1, 178-212. https://doi.org/10.1111/sjoe.12567

[189] Landersø, R. and Heckman, J. (2017) The Scandinavian Fantasy: The Sources of Intergenerational Mobility in Denmark and the US, *Scandinavian Journal of Economics*, 119, 1, 178-230. https://onlinelibrary.wiley.com/doi/10.1111/sjoe.12219

of how parents affect child development, including both direct interactions and purposive sorting in making neighbourhood choices (and thereby influencing school quality among other aspects of neighbourhood)."[190]

This was echoed in the interviews, with one interviewee commenting: 'you see increasing segregation and parents manipulating what type of public school catchment area their children belong to and so forth. So they can get the best schools and so forth' (Danish Expert 2).

While much of this analysis focuses on social processes that occur prior to higher education, Karlson and Landersø's work suggests that changes in university practices may also have contributed to the decline in intergenerational educational mobility outlined above. They maintain that Danish universities have come to place increasing importance on non-cognitive skills.[191] Because there remain skill-related differences between social groups, for the reasons mentioned above, affluent families have been able to promote, more effectively than less advantaged families, their child's access to higher education. As one of the expert interviewees noted, 'it's been predominantly the middle class and upper middle class that has exploited that expansion … that's actually driven down mobility in education on average in the population' (Danish Expert 1).

There have been relatively few higher education policies that have aimed to redress inequalities by family background. This may be related to, as the expert interviewees explained, first, an assumption that the expansion of higher education would automatically lead to greater social mobility and, second, a strong tradition in Denmark of treating young people as citizens in their own right – independent of their families. Both interviewees believed that there would be no appetite for means-tested funding, or for considering family background during university admissions processes.

"So generally you would consider, policy-wise, that when you turn 18, you're free of your parents … so that that would be I think a very large leap, policy-wise, that would be. That, realistically, won't be implemented in any way." (Danish Expert 2)

[190] Heckman, J. and Landersø, R. (2017) The Scandinavian Fantasy: the sources of intergenerational mobility in Denmark and the US, *The Scandinavian Journal of Economics*, 119, 1, 178-230. https://onlinelibrary.wiley.com/doi/10.1111/sjoe.12219

[191] Karlson, K. and Landersø, R. (2025) The making and unmaking of opportunity: educational mobility in 20th century Denmark, *Scandinavian Journal of Economics*, 127, 1, 178-212. https://doi.org/10.1111/sjoe.12567

The amount of the student grant was increased by 50% in 1988, but this did not have a significant impact on intergenerational social mobility, as one of the interviewees explained:

"There is some suggestion, although it's not very strong evidence, that it might have lifted particular lower class kids' opportunities slightly more, primarily because they didn't have to take part time jobs. But I think, in the aggregate, if you look at time trend source, you can't see that reform changed the world...it might have created slightly more equal opportunities." (Danish Expert 1)

Greece

System overview

Greece has a centralised higher education system with 24 public institutions. The contribution depends on the course that a student is enrolled on: medica Ministry of Education oversees all aspects of higher education, including funding, curriculum, and admissions procedures.[192] In March 2024, the Government passed controversial legislation allowing the establishment of private universities and campuses of international universities.

Admission to Greek universities is highly competitive and based on performance in the national Panhellenic Examinations, also known as the *panelladikes*. Every student applies to specific departments, not universities, which means degree choice is tightly constrained by exam results.[193] As Greece Expert 1 noted, 'the universities have very little control over who they accept', because 'a lot is decided by the Ministry of Education'. This limits university autonomy over admissions decisions.

Greece allocates 1.3% of total government expenditure to tertiary education (including research and development), compared to an OECD average of 2.7%.[194] The state covers tuition fees, and students cover maintenance costs, and can apply for a housing allowance, and means-tested loans. Greek universities face long-standing challenges related to funding, infrastructure, and staff-to-student ratios. Many institutions

[192] Miliotis, H. (2014) Higher Education in Greece Compared to Canada, *College Quarterly*, 17, 1, p.n1. https://files.eric.ed.gov/fulltext/EJ1032225.pdf; Vassilopoulos, A. (2015) Access to the Greek University, *Academia*, 5, 1, 48-75. https://pasithee.library.upatras.gr/academia/article/view/2260/2420

[193] Verdis, A., Kalogeropoulos, K. and Chalkias, C. (2019) Regional disparities in access to higher education in Greece, *Research in Comparative and International Education*, 14, 2, 318-335. https://doi.org/10.1177/1745499919846186

[194] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

depend on EU structural funds to support upgrades and student services.[195]

Attainment levels are low in Greece, relative to other OECD countries. In 2023, 34% of 25-64 year-olds had some form of tertiary education, well below the OECD average of 41%.[196] However, the number of young people in Greece obtaining tertiary education has risen substantially since the early 2000s. As of 2023, 53% of women and 36% of men aged 25–34 held a tertiary qualification.

Rising university participation has not been matched by corresponding improvements in graduate labour market outcomes. The relative earnings of adults in Greece, with tertiary education, compared to those with only an upper secondary qualification, are below the OECD average.[197] In 2023, 77% of young women and 76% of young men with a tertiary qualification were employed, both below the OECD averages of 84% and 90%, respectively. Data from Bazoti showed that the unemployment rate among tertiary-educated individuals in Greece reached 20.4% in 2013, and one in three Greeks in 2019 was employed in a job requiring fewer skills than their qualification level. Thus 'overqualification' rose by 60.6% between 2008 and 2019.[198] These outcomes, exacerbated by the 2008 financial crisis, highlight a lack of alignment between higher education output and labour market needs, compounded by limited employer engagement and weak demand for highly qualified labour. As Greece Expert 2 noted, 'universities focus on areas that are not really aligned with the needs of the economy'.

Widening participation: access and outcomes

Greece has formal universal access to higher education, with public universities charging no tuition fees for undergraduate study. However, students' ability to enter and succeed is heavily influenced by socio-economic background, school type, and geographical location. Students from more advantaged families, urban areas, and general upper secondary

[195] OECD (2024) *Country note: Greece*, Education at a Glance 2024, Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024-country-notes_fab77ef0-en/greece_423881a4-en.html

[196] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[197] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[198] Bazoti, P. (2020) *Unemployment in Greece: The Case of Young Higher Education Graduates.* Working Paper No. 110. Athens, Centre of Planning and Economic Research (KEPE). Available at: https://www.eliamep.gr/wp-content/uploads/2020/02/110_2020_-WORKING-PAPER-_Pery-Bazoti-.pdf

schools are significantly more likely to transition to higher education than their peers from rural areas, vocational schools, or lower socio-economic status. These disparities reflect broader patterns of intergenerational educational reproduction, with parental education playing a major role in shaping children's educational outcomes.[199]

A major barrier to equitable access lies in the reliance on the Panhellenic Examinations. Success in these exams partly depends on a wide range of private preparatory services. Almost all final-year students now receive some form of shadow education and exam preparation called *frontistiria*[200]. The middle classes can invest more in private tutoring, and so dominate access to competitive university departments, such as medicine and law, reinforcing existing social inequalities.[201]

Geographical disparities are also pronounced. Verdis et al show that students from remote or insular regions and parts of northern Greece are significantly under-represented in the most competitive and prestigious university departments, especially those based in Athens and Thessalonik.[202]

Outcomes after graduation further compound inequality. Students from more privileged backgrounds are more likely to pursue postgraduate studies, secure internships, or enter high-status jobs in urban centres. In contrast, working-class students often lack the networks and financial

[199] Danchev, S., Gatopoulos, G., Kalavrezou, N. and Vettas, N. (2023) *Intergenerational mobility in education in Greece: an exploration into socioeconomic determinants of students' performance and future career plans before, during and after the crisis,* Hellenic Observatory Discussion papers on Greece and Southeast Europe. Available at: https://www.lse.ac.uk/Hellenic-Observatory/Assets/Documents/Publications/GreeSE-Papers/GreeSE-No185.pdf; Kitsoleris, G. and Luong, T.A. (2025) Intragenerational occupational mobility: the effect of crisis and overeducation on career mobility in a segmented labour market, Public Sector Economics, 49, 1, 89-127. https://doi.org/10.3326/pse.49.1.4; Symeonaki, M.A. and Stamatopoulou, G.A. (2014) Exploring the transition to higher education in Greece: Issues of intergenerational educational mobility, Policy Futures in Education, 12, 5, 681-694. https://journals.sagepub.com/doi/pdf/10.2304/pfie.2014.12.5.681

[200] Liodakis, G. (2010) cited in Bray, M. (2020) Shadow Education in Europe: Growing Prevalence, Underlying Forces, and Policy Implications, NESET report.

[201] Bazoti, P. (2020) *Unemployment in Greece: The Case of Young Higher Education Graduates*. Working Paper No. 110. Athens, Centre of Planning and Economic Research (KEPE). Available at: https://www.eliamep.gr/wp-content/uploads/2020/02/110_2020_-WORKING-PAPER-_Pery-Bazoti-.pdf; Danchev, S., Gatopoulos, G., Kalavrezou, N. and Vettas, N. (2023) *Intergenerational mobility in education in Greece: an exploration into socioeconomic determinants of students' performance and future career plans before, during and after the crisis,* Hellenic Observatory Discussion papers on Greece and Southeast Europe. Available at: https://www.lse.ac.uk/Hellenic-Observatory/Assets/Documents/Publications/GreeSE-Papers/GreeSE-No185.pdf

[202] Verdis, A., Kalogeropoulos, K. and Chalkias, C. (2019) Regional disparities in access to higher education in Greece, Research in Comparative and International Education, 14, 2, 318-335. https://doi.org/10.1177/1745499919846186

support needed to transition smoothly into the labour market. Even when academic performance is similar, higher education trajectories diverge sharply. Socio-economic background continues to shape choices even after entry into higher education, with working-class students more likely to choose fields offering secure employment and quicker labour market entry, often at the cost of long-term mobility.[203]

Student funding and finance

Greek higher education institutions are primarily funded through two channels: the Ordinary Budget (covering operational costs) and the Public Investment Programme, which is co-financed by national and EU resources. Funding allocations are partly performance-based: 80% of funding is determined by enrolments, programme costs, and institutional size, while 20% is linked to qualitative indicators such as graduation rates, student satisfaction, research activity, and internationalization.[204]

Under Greece's constitutional framework, all undergraduate programmes in public higher education institutions are tuition-free. Students also receive textbooks and printed course material at no cost. In 2025, Law 5094/2024, which preserved the free provision of higher education, introduced regulations for the establishment of non-state, non-profit universities. These private institutions, expected to operate alongside public HEIs from the academic year 2025–2026, will not receive state funding but must adhere to rigorous quality and financial transparency standards supervised by the National Authority for Higher Education.[205] The policy aim is to introduce greater competition and private sector investment along with reducing Greek outward student mobility.

Despite no tuition fees at the undergraduate level, students face significant indirect expenses. These include the costs of housing, meals, transport, and especially private tutoring (*frontistiria*) during secondary education, a widespread and costly prerequisite for success in the

[203] Sianou-Kyrgiou, E. and Tsiplakides, I. (2010) Similar performance, but different choices: social class and higher education choice in Greece, *Studies in Higher Education*, 36, 1, 89–102. https://doi.org/10.1080/03075070903469606.

[204] European Commission (2025) Legislation and official policy documents. Available at:

European Union (2024) *Eurydice – Higher Education Funding in Greece*. Eurydice – European Education and Culture Executive Agency. Available at: https://eurydice.eacea.ec.europa.eu/national-education-systems/greece/higher-education-funding

[205] European Union (2024) *Eurydice – Higher Education Funding in Greece,* Eurydice – European Education and Culture Executive Agency. Available at: https://eurydice.eacea.ec.europa.eu/national-education-systems/greece/higher-education-funding

Panhellenic Examinations.[206] These hidden costs place a substantial financial burden on families, especially those from lower-income backgrounds. Financial pressures also intensify for students who study in cities away from their permanent residence. To address this, Law 5094/2024 introduced a housing allowance of €1,000 as a lump-sum benefit to families whose children are studying in a different city. Eligibility depends on income and assets, and in specific cases, such as orphaned students or those over 25, the allowance is granted directly to the student. Another key mechanism for supporting the education sector in Greece is the Sectoral Development Programme of the Ministry of Education, Religious Affairs and Sports. Although the programme does not provide direct financial aid to individual students, its investment in systemic improvements contributes to the quality and accessibility of public education, particularly in under-resourced regions.

The Greek student financial aid system includes various forms of support. Students can access interest-free educational loans, though these are subject to eligibility criteria such as academic performance and income. Additional support mechanisms include free healthcare for uninsured students, meal and housing subsidies based on financial need, and subsidised cultural access (e.g. discounts in museums and public transport). While universities also award merit-based scholarships, these are typically limited and vary significantly between institutions. Separately, undergraduate students enrolled in Greek public universities receive free textbooks through the Eudoxus system (Εύδοξος), which is centrally funded by the Ministry of Education.

Higher education institutions may also generate their own income through entrepreneurial activity, private donations, bequests, investment grants, and participation in EU programmes such as Horizon Europe. Their financial autonomy is safeguarded by the Constitution, and oversight is provided by the Hellenic Authority for Higher Education, the Court of Auditors, and internal audit bodies. There is evidence from national research indicating that Greek universities are increasingly leveraging external research funding sources to supplement constrained public budgets.

Relationship between higher and technical education routes

The relationship between academic and technical education in Greece has undergone major changes over the last decade. Historically, Greece had a

[206] Bray, M. (2020) Shadow Education in Europe: Growing Prevalence, Underlying Forces, and Policy Implications. NESET report. Brussels, European Commission. Not available online

binary system that included traditional universities and Technological Educational Institutes (TEIs), which delivered vocational and applied programmes in fields like engineering, agriculture, and health sciences. In 2018, two major reforms merged TEIs into the university system. [207]This restructuring has drawn criticism for bypassing standard Hellenic Higher Education Authority accreditation processes, potentially undermining the intended benefits of the reform.[208] One of the expert interviewees also highlighted how this merger reduced connections between TEIs and industry.

As a result, Greece now lacks a dedicated, clearly defined tertiary-level technical education track. The vocational education and training (VET) system is mostly concentrated at the upper secondary and post-secondary non-tertiary levels, governed by the Ministry of Education and the Ministry of Labour.[209]At the upper secondary level, students can attend general education schools (Geniko Lykeio) or vocational schools (EPAL). About 30% of students choose EPAL, which offers three-year programmes. These programmes include over 25% work-based learning, and EPAL graduates can access higher education through national exams.

Reforms have made higher education more accessible for EPAL graduates. Special quotas reserve 5% of university places in high-demand subjects, 10% in general university departments, and 20% in institutions like the School of Pedagogical and Technological Education, which provides tertiary level professional education.[210]

[207] OECD (2021) *Supporting Entrepreneurship and Innovation in Higher Education in Greece*. Available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2021/06/supporting-entrepreneurship-and-innovation-in-higher-education-in-greece_59868ad3/37cd1c7d-en.pdf

[208] European Commission (2019) *Education and Training Monitor 2019 Greece Report*,

European Commission. Available at: https://education.ec.europa.eu/sites/default/files/document-library-docs/et-monitor-report-2019-greece_en.pdf

[209] CEDEFOP (2022) *Greece: VET in Europe – National system overview*. European Centre for the Development of Vocational Training. https://www.cedefop.europa.eu/en/tools/vet-in-europe/systems/greece-u2

[210] CEDEFOP (2022) *Greece: VET in Europe – National system overview*. European Centre for the Development of Vocational Training. https://www.cedefop.europa.eu/en/tools/vet-in-europe/systems/greece-u2

At the post-secondary non-tertiary level, Greece offers two key VET pathways:

- A 1-year apprenticeship programme for EPAL graduates, delivered in partnership with the Manpower Employment Organisation (OAED), which leads to an EQF level 5 qualification.

- A 2.5-year programme at public and private Vocational Training Institutes (IEKs) for upper secondary graduates, involving more than 60% work-based learning. IEK students can take exams that lead to national certification.

In some cases, EPAL graduates can skip the first year of IEK programmes if they hold a related upper secondary certificate. Greece also offers higher professional schools, such as merchant navy academies and drama and dance conservatories. These are considered non-university tertiary institutions and are usually overseen by sector-specific ministries.

According to the OECD, labour market outcomes for VET graduates in Greece are mixed. Among 25–34-year-olds, only 23% have a vocational qualification as their highest level of attainment, 10% at the upper secondary level and 12% at the post-secondary level**,** compared to higher shares in many OECD countries. Unemployment is slightly lower for VET upper secondary graduates (17.8%) than for general education graduates (18.6%), but earnings advantages are modest. Workers aged 25–34 with vocational upper secondary or post-secondary attainment earn 25% more than those without upper secondary qualifications, while bachelor's and master's degree holders earn 42% and 133% more, respectively.[211]

Participation in job-related training among adults with VET qualifications is just 1%**,** far below the OECD average of 7%, and Greece's NEET rate (young people not in education, employment, or training) is 17%, compared to the OECD average of 14.7%.[212] These statistics highlight gaps in lifelong learning, career progression, and effective transitions from VET into employment.

[211] OECD (2023) *Education at a Glance 2023: OECD Indicators.* Available at: https://www.oecd.org/en/publications/education-at-a-glance-2023_e13bef63-en/full-report/to-what-level-have-adults-studied_7d8f2f94.html

[212] OECD (2023) *Education at a Glance 2023: OECD Indicators.* Available at: https://www.oecd.org/en/publications/education-at-a-glance-2023_e13bef63-en/full-report/to-what-level-have-adults-studied_7d8f2f94.html

Despite these challenges, enrolment in post-secondary non-tertiary VET rose sharply from 15,852 in 2014 to 82,860 in 2018, showing that interest in vocational education is growing. Law 4763/2020 marked a significant reform, restructuring the governance of VET, creating a General Secretariat for VET, Lifelong Learning and Youth, and mandating the involvement of social partners in VET planning and delivery. The law also promoted permeability between VET and academic pathways and introduced new routes for VET graduates to enter higher education through dedicated exams.

New types of institutions, such as model EPAL schools and experimental IEKs, were introduced to strengthen innovation and responsiveness to labour market needs. A national qualifications framework was created to improve transparency across different pathways, and quality assurance systems for apprenticeships and WBL were expanded.

The role of higher education in intergenerational social mobility

Our PIAAC analysis indicates that, in 2015, Greece had a below-average probability of individuals from non-tertiary backgrounds reaching a top-earning job among OECD countries – only 13% did so, compared to 17% at the country-median. The link between parents' and children's educational attainment remains strong, and opportunities to access higher education remain highly unequal, even where expansion and reform have taken place. The evidence points to an educational system where privilege is still being transmitted through generations.[213] Symeonaki and Stamatopoulou note that the effect of the mother's education is particularly strong in the younger cohorts, suggesting that maternal cultural capital may play a key role in educational decision-making.[214]

Anastasiadou et al. found that 65% of students whose fathers or mothers held higher-level professional occupations were enrolled in prestigious departments such as medicine, law, or engineering.[215] By contrast, students whose parents had lower-status occupational profiles, such as manual workers, were overrepresented in lower-prestige departments. Income was

[213] Symeonaki, M.A. and Stamatopoulou, G.A. (2014) Exploring the transition to higher education in Greece: Issues of intergenerational educational mobility, *Policy Futures in Education*, 12, 5, 681-694. https://journals.sagepub.com/doi/pdf/10.2304/pfie.2014.12.5.681; Stylianou, T. and Milidis, A. (2024) The socioeconomic determinants of University dropouts: The case of Greece, *Journal of Infrastructure, Policy and Development*, 8, 6, 3729. https://doi.org/10.24294/jipd.v8i6.3729

[214] Symeonaki, M.A. and Stamatopoulou, G.A. (2014) Exploring the transition to higher education in Greece: Issues of intergenerational educational mobility, *Policy Futures in Education*, 12, 5, 681-694. https://journals.sagepub.com/doi/pdf/10.2304/pfie.2014.12.5.681

[215] Anastasiadou, F., et al (2021) Socioeconomic profile and study choice. The case of university students in Greece, *Academia*, 23-24, 3-23. https://doi.org/10.26220/aca.3595

also a strong determinant of subject of study: nearly 69% of students from families earning over €1600 monthly were in high-prestige faculties, compared to just 11.5% of those from households earning less than €700.[216]

These patterns suggest that Greece's higher education system remains highly stratified. Even as enrolment expands, both access and institutional outcomes remain tightly linked to family background. Recent OECD data confirm that parental education continues to be one of the strongest predictors of children's educational attainment in Greece. Among 25–64-year-olds with at least one parent holding a tertiary degree, 76% had themselves attained tertiary education. In stark contrast, only 22% of individuals whose parents had not completed upper secondary education attained a university degree, closely mirroring the OECD average of 72% and 19%, respectively.[217] These figures underscore how intergenerational mobility remains limited, even as Greece has expanded access to higher education.

The 2008 financial crisis and subsequent decade of austerity measures plunged Greece into unprecedented levels of unemployment and poverty. Both expert interviewees believed that this crisis continued to dominate policy priorities, and that there had been little attention to intergenerational social mobility. Educational outcomes are strongly shaped by cultural resources and parental emotional support rather than material wealth. All the evidence points to a higher education system in Greece that remains constrained in its capacity to enable upward mobility. Social origins, including home educational resources and emotional climate, continue to influence student performance and future plans, reinforcing the role of family background in shaping life chances.[218]

Ireland

System overview

Ireland currently has 12 publicly-funded universities (the oldest founded in 1592), two institutes of technology and 11 other higher education

[216] Anastasiadou, F., et al (2021) Socioeconomic profile and study choice. The case of university students in Greece, Academia, 23-24, 3-23. https://doi.org/10.26220/aca.3595

[217] OECD (2024) *Education at a Glance 2024*, Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[218] Danchev, S., et al (2023) *Intergenerational mobility in education in Greece: an exploration into socioeconomic determinants of students' performance and future career plans before, during and after the crisis,* Hellenic Observatory Discussion papers on Greece and Southeast Europe. Available at: https://www.lse.ac.uk/Hellenic-Observatory/Assets/Documents/Publications/GreeSE-Papers/GreeSE-No185.pdf

institutions that receive public funding.[219] The age participation rate increased from 11% in 1965 to over 57% in 2002.[220] Government policies have emphasised the benefits of higher education to both society and the individual.

The Irish higher education sector has developed from a system designed for the few, participating at elite universities, to a mass higher education system, today catering for a much greater number – indeed, higher education was previously centred around only five institutions until the 1970s. The largest changes to the system occurred from the 1960s onwards, around the same time as the comparatively late industrialisation of Ireland,[221] when university attendance started to increase rapidly: the age participation rate increased from 11% in 1965, to over 57% in 2002.[222] This was, in part, a result of policies introduced by the Irish government that emphasised the benefits of higher education to both society and the individual, for example the abolition of undergraduate tuition fees in the mid-1990s. Policies that have affected the tertiary education sector are not confined to those which have focussed explicitly on this section of the education system. The introduction of free upper second-level education in 1967, for example, was hugely influential and marked the start of the expansion of education to populations which previously would have left at an earlier age.

A key part of the Irish higher education system is the presence of Technological Universities; these institutions were formalised through the Technological Universities Act in 2018 which permitted Institutes of Technology to become universities if they fulfilled specific criteria.[223] Technological Universities are tasked with 'providing research-informed teaching and learning across all levels of higher education, linking their

[219] Government of Ireland (2022) *List of publicly-funded higher education institutions (universities and colleges).* Available at: https://www.gov.ie/en/department-of-further-and-higher-education-research-innovation-and-science/publications/list-of-publicly-funded-higher-education-institutions-universities-and-colleges/#publicly-funded-universities

[220] OECD (2006) *Reviews of national policies for education: higher education in Ireland.* Available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2006/11/reviews-of-national-policies-for-education-higher-education-in-ireland-2006_g1gh6a95/9789264014329-en.pdf

[221] Clancy, P. (2024) Socio-economic inequalities in access to higher education in Ireland: achievements, failures and possibilities in comparative perspective, *Irish Educational Studies*, 1–21. Available at: https://www.tandfonline.com/doi/full/10.1080/03323315.2024.2429459

[222] OECD (2006) *Reviews of national policies for education: higher education in Ireland.* Available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2006/11/reviews-of-national-policies-for-education-higher-education-in-ireland-2006_g1gh6a95/9789264014329-en.pdf

[223] HEA (n.d.). *New Technological Universities are being created under the reforms set out in Ireland's National Strategy for Higher Education.* Available at: https://hea.ie/policy/he-reform/technological-universities/

programmes to the needs to their region's citizens, businesses and professions'.[224]

The regulation and governance of the Irish higher education sector is overseen by the Higher Education Authority (HEA), a public body accountable to the Irish Minister for Further and Higher Education, Research, Innovation and Science. The HEA has existed continuously since its inception in 1971, and as part of the 2022 higher education reforms, the mission and focus of the HEA were strengthened. The 2022 act sought to reaffirm institutional autonomy, whilst also expanding the steering role of the HEA.

Widening participation: access and outcomes

The Irish government places a strong focus on widening participation to higher education for those from disadvantaged backgrounds. This is manifest within a series of National Access Plans. Funds for widening participation are split between different strands of activity, including financial support for the most disadvantaged groups, providing study bursaries, as well as funds for providers to recruit underrepresented students and design inclusive curricula, and support for students with intellectual disabilities.

More recently, this emphasis upon widening access to higher education is manifest within the National Access Plans which were produced by the government to from 2015 – 2019; the first opens with the observation that: 'As a country we have everything to gain and nothing to lose by increasing levels of participation in higher education among all Irish citizens'.[225] These policies are located firmly within a 'whole-of-government' approach, which situates widening participation within a complex network of multi-domain policy agendas including education, health, social welfare, housing, and employment. This is supplemented by a 'whole-of-education' approach where 'accessibility becomes the responsibility of everyone across the

[224] OECD (2022) *A review of technological university academic career paths, contracts and organisation in Ireland, OECD Education Policy Perspectives*, No. 64, Paris, OECD Publishing. p.1. Available at: https://www.oecd.org/en/publications/a-review-of-technological-university-academic-career-paths-contracts-and-organisation-in-ireland_2b7ee217-en.html

[225] Higher Education Authority (2015) *National plan for equity of access to higher education 2015-2019,* Higher Education Authority. Available at: https://hea.ie/assets/uploads/2017/04/national_plan_for_equity_of_access_to_higher_education_2015-2019_single_page_version_01.pdf

education system, from pre, primary and post-primary school level to further and higher education'.[226]

The monetary investment in widening participation to higher education in Ireland is currently funnelled through the national Programme for Access to Higher Education, established in 2017, and split between different strands of activity, including support for the most economically disadvantaged, underrepresented groups, the traveller community, those with intellectual disabilities, and funding for universal design principles.

Student funding and finance

Higher education in Ireland is funded from multiple different public and private sources, although a majority of finance derives from the state through the Recurrent Grant Allocation Model. Students from low-income backgrounds are eligible for means-tested grants through the Student Universal Support Ireland; in order to be eligible for a full maintenance grant, a student's household income must be under €40,875 per annum.[227]

Ireland abolished tuition fees in their higher education system in the mid-1990s. However, eventually, in 2010, students became liable for a 'student contribution charge'. This was initially a relatively modest fee, but has gradually increased from €1,500 in 2010 to €2,000 in 2011 and then, by way of small increments, to €3,000 in 2015, which remains the cost today. Students are also expected to cover their own living costs, unless they are eligible for SUSI grants. Expenditure per student in tertiary education (when excluding research and development) is lower than the OECD average, at $12,361, compared to the OECD average of $14,077. Ireland spends 0.7% of GDP on tertiary education which is again lower than the 1.5% average.

Despite clear funding mechanisms being in place in the Irish higher education system, with an absence of student tuition fees and limited student financial burden, there are doubts about the longer-term stability and sustainability of this funding model. These problems were addressed in

[226] Higher Education Authority (2022) *National Access Plan: a strategic action plan for equity of access, participation and success in higher education 2022-2028,* Higher Education Authority. Available at: https://hea.ie/assets/uploads/2024/07/National-Access-Plan-2022-2028-FINAL.pdf p.21

[227] SUSI (2025) *Full-time undergraduate income thresholds and grant award rates*. Available at: https://www.susi.ie/eligibility-criteria/income/full-time-undergraduate-income-thresholds-and-grant-award-rates/

the Cassels Report[228] – a report, published in 2016, concerning the sustainability of the higher education funding model in Ireland:

"It is clear that there is a need and a desire for urgent reform of the funding landscape. The funding system is simply not fit for purpose. It fails to recognise the current pressures facing higher education institutions or the scale of the comping demographic changes."[229]

The report by Cassels offered three possible plans for future funding of higher education: 1. increase state funding and abolish the student contribution; 2. increase state funding but maintain the student contribution; 3. introduce income contingent loans for students where higher education would be free at the point of entry, but loans would start to be paid back once a graduate reached a particular salary level. In the wake of this report there were no clear policy shifts towards any of the suggestions that it outlined. However, a key announcement was made in 2024 in a government policy entitled *Funding the Future*.[230] This signalled the government's intention to increase core funding allocated to higher education institutions (from €50m in 2025 to €150m extra by 2029) and was viewed favourably by the Irish Universities Association (the representative body of Irish universities).

Relationship between higher and technical routes

Technical and Vocational Education and Training (TVET) in Ireland is an increasing policy focus; this is particularly visible through agendas such as Ireland's National Skills Strategy 2025 which aims to improve the alignment between the education system and the skills needed by employers within the country.[231] Those with a tertiary qualification in Ireland are advantaged when compared to those with only an upper

[228] Government of Ireland (2016) Investing in National Ambition: A Strategy for Funding Higher Education. GOV.IE. Available at: https://assets.gov.ie/24503/dd9ff02cb4db4899bc84a387d48ffa11.pdf

[229] Department for Education and Skills (2025) *Ireland's National Skills Strategy 2025 – Ireland's Future,* Government of Ireland. Available at: https://assets.gov.ie/static/documents/irelands-national-skills-strategy-2025-irelands-future.pdf

[230] Department of Further and Higher Education, Research, Innovation and Science (2024) *Funding the future: an annual options paper on reducing the cost of education,* Government of Ireland. Available at: https://assets.gov.ie/static/documents/funding-the-future-an-annual-options-paper-on-the-cost-of-higher-education-2024.pdf

[231] EDEFOP and ReferNet (2023) *Ireland's National Skills Strategy 2025: Ireland*. Timeline of VET policies in Europe [online tool]. Available at: https://www.cedefop.europa.eu/en/print/pdf/node/153595

secondary qualification – more so than the OECD average.[232] Indeed, the percentage of adults with tertiary education is one of the highest out of all OECD countries, and 14 percentage points above the average (which stands at 41%).

TVET in Ireland is currently coordinated by the agency SOLAS (an tSeirbhís Oideachais Leanúnaigh agus Scileanna) whose remit includes the entirety of the country's Further Education and Training (FET) sector. This state agency manages programmes such as 'Apprenticeships, Traineeships, Skills to Advance, eCollege and the European Globalisation Fund'.[233] Sixteen Education and Training Boards exist across Ireland that each report to SOLAS and manage further education colleges in their local area; they produce strategic performance agreements, covering two-year periods. The size of the FET system is substantial, with 218,755 course enrolments in 2023.[234] For comparison, the higher education sector had 265,906 unique students enrolled in the 2023/24 academic year.[235] However, it is important to note that the FET enrolment figure includes multiple enrolments by individual learners and does not represent the unique headcount; the comparison still offers a useful indication of student numbers within the sector.

The future of Ireland's TVET appears to be focussed on skills development for future productivity in the workforce: 'We are seeking to build an ambitious roadmap for FET over the next five years ensuring that it can play a critical role in meeting Ireland's future workforce and skills needs'.[236] This agenda aligns well with the EU's new policy agenda pertaining to skills development: The Union of Skills.[237] Both policy agendas share the same focus, namely, on the increasing need to develop within populations

[232] OECD (2024) *Ireland: overview of the education system.* Education at a Glance 2024, Paris, OECD Publishing. Available at: https://gpseducation.oecd.org/CountryProfile?primaryCountry=IRL&treshold=10&topic=EO

[233] SOLAS (2025) *Who We Are*. Available at: https://www.solas.ie/about/ n.p.

[234] SOLAS (2024) *This is FET: facts and figures 2023,* SOLAS. Available at: https://a.storyblok.com/f/70398/x/c9cbdd6929/solas-facts-report-2023.pdf

[235] Higher Education Authority (2024) *Access our Data – Students*. Available at: https://hea.ie/statistics/data-for-download-and-visualisations/access-our-data/Access%20our%20Data%20-%20Students/

[236] SOLAS (2025) *Further Education and Training Strategy 2025-2029 – public consultation: January 2025.* Available at: https://a.storyblok.com/f/70398/x/fee53f0bba/solas-fet-strategy-public-consultation-document-english.pdf p.2

[237] European Commission (n.d.) *Union of Skills.* Available at: https://commission.europa.eu/topics/eu-competitiveness/union-skills_en

flexible skills in areas of high growth, for example, jobs relating to the green transition.

Role of higher education in intergenerational mobility

The Irish higher education system has expanded over recent years. This has the potential to address existing inequalities through the provision of greater opportunities for those from underrepresented or disadvantaged backgrounds. Our PIAAC analysis suggests an increase in the proportion of those from underrepresented backgrounds (measured by parental education level) completing universities over the past decade, from 17% to 37%, while the economic returns to higher education held mostly steady. The combination of a sharp increase in degree attainment at stable returns helped to raise relative social mobility by about 20 percentage points (43% -> 63%). Moreover, the analysis indicates that higher education has become more important for those from underrepresented backgrounds in relation to social mobility.

The Irish Government has taken a whole-of-government, whole-of-education approach to social inequalities. This appears to recognise the structurally embedded nature of educational inequalities and aims to create a coordinated agenda to address interlinked societal inequalities including: housing, health, employment, education, welfare. This acknowledgement of the need for coordination across often traditionally siloed areas is important and signals that the government has both an understanding and a will to improve social issues more broadly.

The policies that contributed to this increase in the number of underrepresented groups attending higher education - and their subsequent beneficial social mobility outcomes - include National Access Plans, the Programme for Access to Higher Education, free upper secondary education, the expansion of technological universities, and the free fees initiative. Together, they reflect a sustained effort to increase the participation of underrepresented groups in higher education over multiple decades. Ireland offers an example of how higher education can be expanded in a sustainable way by providing opportunities for participation to those who previously did not have them. Nevertheless, structural inequalities persist and parents who have some level of tertiary education are more likely to have advantaged education and job market outcomes.

Japan

System overview

After the second world war, Japanese higher education began its mass expansion.[238] The biggest increase in participation occurred in the 1990s with the proportion of the relevant age cohort enrolling increasing from 25% to 40%.[239] By the early 2000s, 77% of the age cohort were attending some form of tertiary education. With respect to attainment, in 2023, 56% of 25-64 year-olds had some form of tertiary education, well above the OECD average of 41%.[240]

Higher education in Japan is split between multiple institution types: universities; junior colleges; colleges of technology; and professional training colleges, which all serve different purposes. The post-war demand for development in science and technology was met by private institutions, and their dominance in the Japanese higher education landscape has remained to this day. By 2008, 90% of tertiary institutions were private and, in 2022, Japan had 3,449 private, 145 national, and 297 local public universities, junior colleges, colleges of technology, and professional training colleges.[241]

Japan relies on private universities for maintaining its high enrolment rate, despite the existence of both public and national universities. While the first Japanese university, Keio University, was established in 1858, it was not until the post-war education reforms and the adoption of American ideas of a 'democratic education' that Japan's enrolment rate started to surpass that of many European countries. By the 1970s, Japan had one of the highest participation rates in higher education, facilitated by the reliance on private institutions for absorbing high demand.

The promotion of higher education reforms through market competition is reflected in the public financing of private institutions.[242] The 1975

[238] Newby, H., Weko, T., Breneman, D., Johanneson, T., and Maasen, P. (2009) *OECD Reviews of Tertiary Education*, OECD Publishing. Available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2009/03/oecd-reviews-of-tertiary-education-japan-2009_g1ghaa65/9789264039322-en.pdf p.12

[239] Kariya, T. (2011) Credential inflation and employment in 'universal' higher education: enrolment, expansion and (in)equity via privatisation in Japan, *Journal of Education and Work*, 24, 1-2, 69-94. https://doi.org/10.1080/13639080.2010.534444

[240] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[241] Yonezawa, A. (2023) Japan's Higher Education Policies under Global Challenges, *Asian Economic Policy Review,* 18, 220-237. https://doi.org/10.1111/aepr.12421

legislation allowed for the state to financially support private schools and universities.[243] This was further bolstered by government policies in the late 1980s which promoted privatisation and the transformation of university education to a market model. This is particularly evident in the 1986 amendments to the *University Establishment Standards* which facilitated 'deregulation (*kisei kanwa*), diversification (*toyōka*) and liberation (*jiyūka*) of universities through market-based demand and supply regulations, allowing private institutions to have more control over their academic, administrative and financial functioning. Consequently, households, rather than government, became the largest contributor to higher education expenditure.

Government policies in the late 1980s promoted privatisation and the transformation of university education to a market model. Households, rather than government, became the largest contributor to higher education expenditure. Japan currently spends around 1.4% of its GDP on tertiary education (including research and development), compared to an OECD average of 1.5%. This represents 1.6% of all government expenditure (the OECD average is 2.7%).[244]

Japan's significantly ageing population presents a challenge to the higher education sector. Private higher education faces oversupply, where many institutions are no longer meeting their government-allocated quotas, thus decreasing their tuition fees and subsidies. This phenomenon disproportionately affects small-sized private universities in rural areas.[245]

Japan provides government subsidies to institutions and to individuals in the form of student loans. Over a third of university students receive such loans.[246] The loans became income-contingent in 2017, whereby graduates repay their student loan debt based on their annual taxable income.[247] Over

[243] Kariya, T. (2011) Credential inflation and employment in 'universal' higher education: enrolment, expansion and (in)equity via privatisation in Japan, *Journal of Education and Work*, 24, 1-2, 69-94. https://doi.org/10.1080/13639080.2010.534444

[244] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[245] Inaba, Y. (2020) Higher education in a depopulating society: Survival strategies of Japanese universities, *Research in Comparative and International Education*, 15, 2, 136-157. https://doi.org/10.1177/1745499920910581.

[246] Kobayashi, M. (2020) International Comparison of Higher Education Cost Sharing and Japanese Challenges, *Japan Labour Issues* 4, 20. Available at: https://www.jil.go.jp/english/jli/documents/2020/020-00.pdf#page=31

[247] Fumitake, F. (2021) The Financing of Higher Education in Japan. In P. Snowden (Ed.), *Handbook of Higher Education in Japan* (pp. 109–121). Chapter, Amsterdam University Press.

half of total higher education costs are borne by individual households.[248] Studies indicate that this financial burden on households is one of the reasons for Japan's declining birth rates.

In 2004, the so-called 'big-bang' policies were implemented, which converted national universities from national facilities to national corporations – providing autonomy in their management while setting caps on both student numbers and levels of fee. Government funding became contingent upon annual assessments of individual universities, and a one per cent annual cut to funding was introduced. Through adopting a New Public Management model of administration for national universities, drawn from the private sector, Japanese higher education became a system that incentivised funding by making it dependent on performance, facilitating accountability, and driving student choice. These reforms were considered transformative as they informed future policies to individualise national universities by providing flexibility over budgets, resource allocation and academic and research performance.[249]

Widening participation: access and outcomes

Japan is considered to have achieved 'universal access' to higher education before most other high-income countries.[250] Various factors push students towards higher education, including a general curriculum, taught across all types of secondary school, no ability grouping in lower secondary education, and the existence of 'a national university in every prefecture, coupled with a sizable number of public universities and hundreds of private colleges and universities'.[251]

In addition, an important policy change happened in April 2025, as Japan Expert 1 explained:

[248] Kobayashi, M. (2020) International Comparison of Higher Education Cost Sharing and Japanese Challenges, *Japan Labour Issues* 4, 20. Available at: https://www.jil.go.jp/english/jli/documents/2020/020-00.pdf#page=31

[249] Newby, H., Weko, T., Breneman, D., Johanneson, T., and Maasen, P. (2009) *OECD Reviews of Tertiary Education*, OECD Publishing. Available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2009/03/oecd-reviews-of-tertiary-education-japan-2009_g1ghaa65/9789264039322-en.pdf p.12

[250] Kariya, T. (2011) Credential inflation and employment in 'universal' higher education: enrolment, expansion and (in)equity via privatisation in Japan, *Journal of Education and Work*, 24, 1-2, 69-94. https://doi.org/10.1080/13639080.2010.534444

[251] Newby, H., Weko, T., Breneman, D., Johanneson, T., and Maasen, P. (2009) *OECD Reviews of Tertiary Education*, OECD Publishing. Available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2009/03/oecd-reviews-of-tertiary-education-japan-2009_g1ghaa65/9789264039322-en.pdf p.12

"The tuition fee for high school or the secondary education are exempted or supported publicly, 100%, including the private high schools. This is controversial, but it highly increased our idea that we should assure everybody to finish the high school, and then get an equal starting point to the entrance to higher education."

Despite Japan's high enrolment and participation rates, the stratification and privatisation of education reproduce social inequalities in access, with parental education and income continuing to determine higher education outcomes. For example, a process of 'bright flight' has been documented, whereby high-income families began to enrol their children in private secondary schools; private schooling increased from only 2.9% of the population in 1985, to 7.2% in 2009.[252] Opportunities for low-income families to access higher education decreased in the context of this increased privatisation of secondary education, alongside growing income inequality. This was commented on by one of the expert interviewees:

"In University of Tokyo and the University of Kyoto – these are the two best and top Imperial universities – the majority of new students are from private secondary schools. Usually when students are in 3rd or 4th grade in elementary school, parents would send kids to private tutorial schools, like some sort of shadow education. … Those academically homogeneous students are mostly from the middle class, [with] educationally able and very aspiring parents … [who are] economically rich and culturally rich." (Japan Expert 2)

To tackle these challenges, as Japan Expert 1 highlighted, one of the key policy actions in Japan has been the expansion of student loans, scholarships, and tuition exemption for low-income families: 'This is especially applied for the public universities and national universities: about 5-10% of the national university students do not pay tuition fees' (Japan Expert 1). Nevertheless, financial support also faces challenges, discussed below.

The Japanese higher education system is also highly stratified by prestige. Students are sorted into high-ranking and low-ranking universities based

[252] Kariya, T. (2009) 'From Credential Society to "Learning Capital" Society: A Rearticulation of Class Formation in Japanese Education and Society.' *In Social Class in Contemporary Japan*, 105-31: Routledge.

on entrance examination scores which, Kariya[253] argues, are determined by factors such as family income, attendance at private school, and access to resources. The result is that students from low-income backgrounds often only have access to low-ranking universities which, in turn, do not offer access to high-paying careers.

This reproduction of eliteness through the labour market was confirmed by both Japan experts:

"If we see if from a very simplified manner, overall, we are highly interested in which university you entered at the undergrad level…These highly established universities are closer to the best career opportunities, for example, to become a lawyer, a medical doctor, or accountants, or those licensed jobs. This is based on the examination open to everybody, but there's still some kind of a closer pathway. And the civil servant, also the big companies – the big companies tend to hire students from the elite universities, and the big companies have relatively higher tendency to assure their employment longer." (Japan Expert 1)

"If you go to a less prestigious university, first of all, sometimes they simply cannot get a job. Or, even if they get a job, but it is not an attractive job, they will leave the job within three years and they go through very unstable and peripheral career for a long time." (Japan Expert 1)

"Careers are associated with four elements: social economic background of students, academic achievements of those students in both elementary and secondary schools, the entrance examination to top universities, and then if you enter top universities, those prestigious selective top universities, you are given more opportunities to enter better job opportunities – like very famous, big firms. The size of a company is very important in Japanese society. If you enter a large firm, that means that you are guaranteed a stable career, skill-up of your jobs, promotion, and better pension after your retirement. So, all kind of security of your careers are guaranteed once you enter such companies." (Japan Expert 2)

[253] Kariya, T. (2011) Japanese solutions to the equity and efficiency dilemma? Secondary schools, inequity and the arrival of 'universal' higher education, *Oxford Review of Education*, 37, 2, 241–266. http://www.jstor.org/stable/23047903

This stratification has been discussed in recent studies.[254] There are also inequalities by gender in the Japanese higher education system. Although 62% and 69% of men and women, respectively, had attained a tertiary level qualification in 2023,[255] women are much less likely than men to be enrolled on programmes at postgraduate level and in the area of science and technology.[256] There are also gender inequalities by type of institution. Japan Expert 2 commented on such inequalities in elite universities and across disciplines:

"Like the case of University of Tokyo, one of the top universities, I think only 20-30% students are female, compared to about 50% in Oxford. ... If you look at the discipline, engineering or sciences, the kind of subjects that you can get better jobs, I think they are still male dominant." (Japan Expert 2)

Studying abroad has increasingly become a favoured pathway for students from 'very rich' and 'educationally keen' families (Japan Expert 2) to secure advantage, partly because 'English is a very important tool' and the students want to be more competitive in the 'global labour market' (Japan Expert 2), and partly because top universities in English-speaking countries are becoming more attractive to students with the social, financial and educational resources (Japan Expert 1 and 2). Social stratification is thus further strengthened, as Japan Expert 2 pointed out:

"This is clear corelation between socio-economic background and the chances to study abroad. Top university graduates in Japan can easily go to globally top universities, as a graduate student, like Harvard, Oxford, or Cambridge. That's an advantage; but it's very difficult for disadvantaged students to study abroad." (Japan Expert 2)

[254] Araki, S (2025) Education and multidimensional inequalities in contemporary Japan and beyond: a call for longitudinal and comparative studies, *Sociology Compass*, 19, 5, e70072. Available at: https://compass.onlinelibrary.wiley.com/doi/full/10.1111/soc4.70072

[255] OECD (2024) *Education at a Glance 2024,* Paris, OECD Publishing. Available at: https://www.oecd.org/en/publications/education-at-a-glance-2024_c00cad36-en.html

[256] Kariya, T. (2011) Credential inflation and employment in 'universal' higher education: enrolment, expansion and (in)equity via privatisation in Japan, *Journal of Education and Work*, 24, 1-2, 69-94. https://doi.org/10.1080/13639080.2010.534444; Uematsu-Ervasti, K. and Kawachi, K. (2022) How intercultural experience affects university students' gender views: potential for transforming higher education in Japan, *Asia Pacific Educational Review* 23, 625–637. https://doi.org/10.1007/s12564-022-09801-5

Some students decide not to return to Japan after studying abroad, despite the government's longstanding policies to attract returnees, and Japan Expert 1 explained some possible reasons:

"Ageing means that we have lots of old people. The old people being the majority means that we are becoming a quite conservative society. The old people are conservative, and the young people feel the pressure that they have to support the old people – a big population of old people. If you are a very, very capable student and if you don't care about the society, you will go out and get a good career. That's quite natural." (Japan Expert 1)

Student funding and finance

In Japan, providing financial aid to realise equal educational opportunities is stipulated in the Constitution under Article 26 and the *Fundamental Law of Education*. Japan provides government subsidies to institutions and individuals. As of 2020, institutional subsidies for the operation of national universities were 1.1 trillion yen per year (around 5.5 billion GBP), 316 billion yen (around 1.6 billion GBP) for private universities, and competitive funding for disciplinary research, such as the Centre of Excellence Program funding, was 400 billion yen (around 2 billion GBP).

Funding for higher education in Japan has remained consistent over the years for public universities, while changing drastically for private universities in alignment with the privatisation policies introduced by the government. In the 1970s, the national budget almost fully funded tuition fees of national universities while private universities relied on tuition income from the students. This changed by 1975, when the Ministry of Education introduced the *Private Schools Promotion and Assistance Law* to financially support private schools and universities by covering up to 30% of operational costs and subsidies.[257] However, such subsidies have declined over recent decades, and private universities have had rely more on tuition fees paid by students.

For individuals, Japan provides financial aid in the form of student loans. Overall, expenditure per student in tertiary education (when excluding research and development), in Japan, is around the OECD average. Two types of loan are provided by JASSO (the Japan Student Services Organisation) for students from low-income backgrounds: interest-free loans for students from low-income backgrounds, ranking in the top three

[257] Muta, H. (1998) Higher Education Policy and Freshman Migration in Japan. *Higher education*, 17 (2), p. 183-201. Available at: https://www.jstor.org/stable/3446766

of their class, and loans, available to all students, with an interest of up to 3%. Over a third of university students receive such loans. The loans became income-contingent in 2017, whereby graduates repay their student loan debt based on their annual taxable income. For the most part, student financing is viewed as a private burden. Indeed, over half of total higher education costs are borne by individual households. Studies indicate that this financial burden on households is one of the reasons for Japan's declining birth rates – as the cost of parenting is too high.[258]

Some universities are also able to offer scholarships and/or exemption from tuition fees to students. However, this differs significantly across regions, as Japan Expert 1 explained:

"The local government's contribution is becoming bigger nowadays, but this highly depends on which kind of local government it is. If you go to Osaka or Tokyo, the very big cities, they have big financial capacity, so they can provide the tuition exemption for the local public universities operated by the Tokyo government or Osaka government. But this is impossible for the small prefectures like Miyagi prefecture."

Furthermore, Japan Expert 2 questioned the actual impacts of scholarships on improving social mobility, given that higher education is closely linked with fixed hierarchies of secondary education and job markets:

"There are hierarchies of secondary education, higher education, and job opportunities. Of course, in many societies you can also find those hierarchies. But how these three hierarchies are linked - the way of linking is very unique in Japan. That's why I think only scholarship policies cannot change anything. Because most of those students, particularly first-generation students whose parents never went to universities, they are more likely to end up in the lower tier higher education institutions, not the top level. So that's almost no change, even if they can afford tuition fees from the scholarship." (Japan Expert 2)

Relationship between higher and technical routes

Japan has several types of vocational education institution. Students seeking industrial education can attend colleges of technology (*kosen*) which facilitate a five-year programme of study, consisting of three years

[258] Kobayashi, M. (2020) International Comparison of Higher Education Cost Sharing and Japanese Challenges, *Japan Labour Issues* 4, 20. Available at: https://www.jil.go.jp/english/jli/documents/2020/020-00.pdf#page=31

of high school education with two years of short-term higher education. As of 2020, there were 57 colleges of technology, with more than 85% publicly funded through the Institute of National Colleges of Technology. Japan has managed to blur the distinction between further and higher education, making 'post-16 education a loosely articulated tertiary system, unlike US and Europe. Students seeking qualification-oriented training can attend specialised training colleges which provide professional courses for two, three or four years. There are 2,779 such training colleges, 95% of which are private—a statistic aligned with the privatised nature of Japanese universities.[259] A third kind of vocational institution are known as 'junior colleges' (which were known as vocational ability development colleges until 2010). There are about 323 of these institutions, which offer two-year sub-degree qualifications – within a baccalaureate four-year bachelor's degree – typically progressing to university courses. The enrolment rates at these institutions have been declining due to increased aspiration for four-year universities, and changes in the aspirations of female students. These colleges also face competition from private vocational institutions like the specialised training colleges. The fourth kind of tertiary education are applied courses offered by specific universities (*Daigakko*). There are about 765 of these institutions which differ from academic universities (*Daigaku*) as they do not award degrees. Lastly, there are 34 polytechnic colleges.[260]

Since the 1980s, the number of students admitted to vocational institutions has fluctuated, for example: increasing drastically from 190,000 to 360,000 in the 1990s; but decreasing to 270,000 in 2017. The rate of progression into jobs is high for those graduating from vocational institutions. Despite clear strengths to Japan's vocational system, challenges exist. First, there has been an 'academic drift' wherein the share of high school students choosing the 4-year university route has been increasing. This has been exacerbated by the decline in the population of 18 year-olds in Japan. Second, professional training colleges are not designated as schools under Article 1 of the School Education Act, making them ineligible for government subsidies and their status ambiguous. The lack of funding puts a heavy burden on families to fund the vocational education of their children. Lastly, academically-oriented entrance

[259] Newby, H., Weko, T., Breneman, D., Johanneson, T., and Maasen, P. (2009) *OECD Reviews of Tertiary Education*, OECD Publishing. Available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2009/03/oecd-reviews-of-tertiary-education-japan-2009_g1ghaa65/9789264039322-en.pdf

[260] Horai, T. and Terada, M. (2021) Technical and Vocational Education Trends and Issues in Japan. Trends and Issues in International Technical and Vocational Education in the Indo-Pacific Region. Available at https://files.eric.ed.gov/fulltext/ED616799.pdf#page=155

examination to universities discriminate 'against those with qualifications from vocationally oriented high schools'.[261]

Role of higher education in intergenerational social mobility

The term 'social mobility' is not always widely used in Japan, as one of the expert interviewees explained: 'we use "equality" or "equal opportunity" more often than "social mobility"". There is ample evidence that family background continues to operate a strong influence on outcomes – even for those in possession of a degree. The high levels of intergenerational social mobility from the 1960s to the 1990s were largely a result of changes to the economy, with an increase in professional and/or managerial positions). More recently, social mobility rates have decreased – although not necessarily in a uniform fashion.[262]

The ongoing influence of class inequalities reinforces the stratification of the higher education system and, as Japan Expert 1 put it,

"There is a high correlation between the family with high education achievement parents and the economic income, and that is a very big issue we are facing with. We tend to think about it as a system of meritocracy. But if we go to the University of Tokyo, for example, the majority are upper-middle class family students. So that is a very big gap."

In addition, the hiring practices of large Japanese firms favour graduates from high prestige higher education institutions. This is problematic given that admission to such universities depends partially on the ability to pay private universities' tuition fees, and on the ability to score highly on entrance examinations, which in turn is linked to attendance at private high schools, and family resources and networks. Unlike some of the countries in the research, there is less expectation that higher education will necessarily promote equity. Indeed, as one of our expert interviewees reflected, '[In Japan], higher education is never regarded as the equaliser of society' (Japan Expert 2)

[261] Ogawa, M, et al. (2023) From the reproduction of social class to the production of locality: Focusing on the narratives of young working class men in rural Japan, International Journal of Educational Research 118, 23.

[262] Ishida, H. (2022) Class Structure, Education, and Social Mobility in Post-war Japan. Social Stratification in an Ageing Society with Low Fertility, Economy and Social Inclusion: Creating a Society for All. Available at: https://doi.org/10.1007/978-981-19-3647-0_2