

Resolution of the  
124<sup>th</sup> Senate of the  
German Rectors'  
Conference  
Berlin, 11 June 2013

**Future Contribution of  
the Federal Government  
to Higher Education  
Funding**

**HRK** German Rectors' Conference

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## **I. Introduction**

The coming years will bring great challenges for the German higher education system: up to 2020, student numbers will increase even more sharply than already forecast and will remain at a high level thereafter. The next few years will also see key agreements in academic policy coming to an end (Pacts for Science and Research) – and the debt brake that will come into effect in 2019 will further restrict the financial flexibility of the federal states. At present, the Basic Law does not permit the Federal Government to contribute to basic funding for higher education institutions (HEIs) and teaching. It is essential that the “ban on cooperation” be lifted to enable adequate HEI funding in the long term. In its 2012 resolution, the 120th HRK Senate welcomed the desired amendment to Article 91 b of the Basic Law and, thus, the revision of the so-called “cooperation ban”<sup>1</sup>. Basic funding for HEIs should be boosted by federal funds, and funding opportunities presented to the government by the amendment to the Basic Law should be defined in concrete terms.

## **II. Resolution**

**The HRK Senate calls for a prompt and significant increase in basic funding for HEIs through ongoing and reliable investment from the Federal Government, which should be ensured – among other things – by abolishing the ban on cooperation. In this way, funds should be made available with which HEIs can establish professorships and improve their structural and technological infrastructure. Furthermore, sufficient programme allowances should be provided for research projects funded by the DFG (German Research Foundation) and the Federal Government.**

## **III. Explanatory comments**

For almost 20 years now, HEIs have been seen their basic funding stagnate, with the only funding increases coming from third parties. This cannot compensate for deficits in the basic budget due to increasing student numbers and operational cost developments.

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<sup>1</sup> Resolution “Joint action needed by the German Federal Government and the federal states on higher education funding: constitutional amendment long overdue” of the 120th Senate on 13 March 2012

- **Federal professorships**

It is proposed that 3,000 federal professorships be established at German HEIs over the next ten years without impacting on capacities. These federal professorships shall enjoy the same rights and obligations as state professorships but will be funded by the Federal Government, which will play a key role in their establishment. These professorships are to remain permanently available to HEIs, meaning that they can be regarded as appointments for life.

Federal professorships strengthen the profiles of HEIs in teaching and research. Creating 3,000 new permanent posts will also significantly boost the career prospects of early career researchers. Finally, this form of federal contribution is suited to HEIs because professorships are the core components of the academic system at HEIs.

Federal professorships should not replace discontinued or soon-to-be-vacant state professorships, as this would make federal funding a “stopgap” that serves only to compensate for the decline in state financed professorships.

It is proposed that federal professorships be allocated in a programme lasting several years. To be specific, federal professorships are to be created over a period of ten years. During the course of the programme, an average of 300 professorships can be set up each year; the final status would then be attained after ten years.

- **Ensuring adequate programme allowances for research projects funded by the DFG and Federal Government**

DFG programme allowances must extend past 2015 and be funded by the Federal Government to systematically continue the move towards full-cost financing for research. Allowances that cover the indirect costs incurred by DFG research projects funded by third parties should be increased gradually and reach the appropriate level according to demand by 2020 at the latest. Since the indirect costs of research projects actually amount to between 50 and 70 per cent of direct costs, allowances should rise by at least 10 per cent in each of the stages, which are to take place in 2015, 2017 and 2019. Programme allowances for third-party projects funded by the government should also be adjusted in the same way.

Since 2007, HEIs have been granted programme allowances amounting to 20 per cent of the direct costs of DFG projects through the second pillar of the Higher Education Pact. 100 per cent of this funding is borne by the Federal Government. At present, successfully securing a grant for a DFG programme places additional pressure on the basic budget of the HEI in question. Programme allowances are an important part of research funding because they absorb some of the indirect costs (infrastructure, administration).

In its 2009 report on the experience of granting of programme allowances, the DFG concluded that such allowances do not come close to covering actual indirect costs. HEIs that successfully procure funds from third parties have to make savings in other areas of their budget. In addition, research at universities of applied sciences is to be strengthened by gradually stepping up the relevant federal programmes. These programmes are also to be organised such that they cover the entire costs of the approved projects.

- **Increased and longer-term commitment to safeguarding structural/technical infrastructure**

The Federal Government must make a long-term commitment to the construction of HEIs that reaches beyond 2019.

To meet demand, the funds available for HEI construction projects (currently 695 million euro) must be doubled. The earmarking of federal funds for HEI construction, which will expire in 2013, must also be extended.

The structural and technical infrastructure of an HEI is a key factor in its academic performance and capacity to compete. It is an extraordinarily important strategic resource for higher education development in Germany as a whole and in the individual states. Along with the expansion of the IT infrastructure, securing buildings that have been constructed in Germany since 1960 as part of the HEI expansion phase – and which are now coming to the end of their first life cycle – is therefore particularly important to current higher education policy. However, funding for HEI construction is not presently safeguarded. Although Article 91 b of the Basic Law states no end to the programme for research facilities, funding for general HEI buildings – necessary to maintain the viability of HEIs – is not guaranteed to remain at 2007 levels after 2013. After 2013, the funds provided by the government

will no longer have to be used for specific earmarked purposes. A transitional rule in the Basic Law (Article 143 c) provides for further federal funding until 2019 for areas previously of joint responsibility, but without earmarking (Article 143 c Basic Law in conjunction with Section 1 Unbundling Law). Furthermore, many structural measures of the past few years have been undertaken using funds from the temporary second economic stimulus package (*Konjunkturpakt II*).