

## **Grasp! Statement about the scholarship system at the University of Groningen**

Grasp! advocates the abolition of the scholarship system. Practical experience shows that the differences between scholarship PhD students and PhD employees are too large. Grasp! advocates equal reward for equal performance. This is an account of Grasp!'s most important positions.

**Lawfulness.** The scholarship system is not a legal construct. The Supreme Court sees doing a PhD as work, where the supervisor is in a position of authority over the PhD student (decree April 2006). This is substantially different from a regular student who conducts research, and is for instance not allowed to record free days and sick leave.

**Work.** PhD research is a professional position for a graduate. PhD's are amongst the most hard-working university employees (often doing long weeks) and contribute substantially to the scientific output. Such a position requires decent secondary employment conditions. Given the average age of Dutch PhD's (late 20s), it is evident that things like pensions, unemployment insurance, continued payment in the event of sickness and unfitness for work, pregnancy and parental leave, cost of day care and health insurance adjustments, and mortgage rebate should be well organised. Moreover, it makes a lot of a difference for the future careers of PhD's whether they studied for four more years or whether they gained four years of work experience.

**Taxation.** Foreign scholarship PhD students pay hardly any tax (around 200 euros per year) and therefore have little to do with the tax office. But in the case of Dutch scholarship PhD students, the tax office takes the grant as wages, not as allowance. They therefore have to pay full tax on their grant. Every month they receive in their bank accounts the gross amount of the grant; they have to put aside about 6000 euros per year, which they then have to transfer to the tax office at the end of the year. Moreover, arrangements with the Groningen tax office are unclear, obscure, and only applicable locally. There is no contact person. The arrangements have to be clear, and have to be valid nationwide, so that scholarship PhD students are free to live where they like (within the Netherlands). There also has to be a contact person.

In addition, those scholarship PhD students who are 30 years and older do have to pay full tax. This is part of the arrangements with the tax office, and it shows that from this age onwards, student status is not granted. However, finishing a PhD at the age of 30 is far from an exception in the Netherlands. This indicates that such a PhD training is not realistic.

**Inequality.** Because of secondary and external funding, there will always be PhD employees. Therefore two separate groups of people who do the same work but receive different rewards, will continue to exist. More than that, even within the group of scholarship PhD students inequalities exist, because foreign scholarship PhD students are cheaper than Dutch scholarship PhD students. Moreover, (foreign) scholarship PhD students of 30 years or more have to pay (considerably) more taxes. Due to these two differences within the category of scholarship PhD students, there is a real danger of discrimination (positive discrimination of foreigners, negative discrimination of older scholarship PhD students).

It is sometimes claimed that the net income of a scholarship PhD student equals that of a PhD employee. This is not the case. Some time ago Grasp! already specified the difference: foreign Ubbo Emmius scholarship PhD students earn about 10.000 euros less in net income over four years than PhD employees. This amount includes holiday allowance and pension build-up.

**Teaching.** Teaching is an important part of the PhD training. It has to remain part of becoming a researcher. However, it should not take the form of a "didactic internship": teaching is work, and it is a basic task of every, also the PhD, employee. It is essential for a career in academia.

**Less attractive.** Due to this system, fewer people will be interested in carrying out PhD research. Research conducted by the National PhD Network (PNN) in 1996 shows that after the introduction of the scholarship system, the number of applicants for PhD scholarship positions in Leiden decreased by a factor of five.

**Problems.** Current scholarship PhD students encounter a number of problems. Cost of day care adjustments, for example, are currently neither paid by the RuG (because scholarship PhD students are not employees) nor by the city council (because scholarship PhD students are not students according to the Law of Study Financing). There is now a temporary arrangement that scholarship PhD students receive adjustments from the Emergency Fund for regular students who are behind schedule in their studies. It has not been taken into account that tax has to be paid on this extra income. If the RuG was to refund these costs to the full amount, a scholarship PhD student with two children (who attend child care facilities together twice a week) would on average be just as expensive over a period of four years as a PhD employee!

**The Financing Scheme.** The financing scheme of the Dutch state for the universities does not function well at the moment. Each university now tries to achieve a maximum of PhD degrees in order to receive as large a share of the money as possible. Due to the grant system, Groningen is able to achieve more PhD degrees while spending less money. The boards of other universities regard this situation as unfair. The premium for a PhD degree is

the same in Groningen as at other universities, but Groningen pays less for it. The current financing scheme forces universities to achieve as many PhD degrees as possible. A number of important points are not taken into account, such as: is there a need for so many people with a PhD in the Netherlands? Is there sufficient supervision for a rising number of people doing a PhD? The Grasp! survey, conducted among PhD students and PhD employees at the RuG in 2006, shows that the supervision leaves much to be desired even with the present number of PhD students and PhD employees. This situation will certainly not improve if there are more PhD students who also need to receive more intensive supervision.

**Alternatives.** It has become clear that the system of collective labour agreements is not financially feasible. PhD employees are too expensive. Grasp! thinks that this problem should not be solved at the expense of the PhD's. Their conditions of employment are excellent and cannot simply be replaced by a system which brings about considerable financial disadvantages for the PhD's. One of the reasons why a PhD is so expensive is that it takes five to six years on average rather than four. Contract extensions and unemployment benefits are substantial financial burdens for the university. With improved supervision and a structural supervision plan (with external control), the length of a PhD can be reduced to remain within the designated period. The fact that scholarship PhD students need less time than PhD employees to receive a PhD degree is mainly due to these reasons:

- a) Their grant ends for good after four years;
- b) For foreign scholarship PhD students this means that their residence permit expires;
- c) Scholarship students do not teach.

**Comparison with Europe/USA.** If people in the USA and in the UK even pay for their PhD, why should they receive such a high salary in the Netherlands? Grasp! thinks that this line of reasoning does not hold true. The reasons are:

- a) In the USA and in the UK the status of a PhD is much higher, and the title pays for itself;
- b) PhD students in these countries receive high grants and therefore do not actually pay for their PhD;
- c) In the UK, grants have recently been raised because of a lack of interest in the positions;
- d) In the USA, a PhD begins directly after the Bachelor's degree and includes a Master's degree.

This means that people begin their PhD at an earlier age and not only after finishing their Master's degree. Moreover, Europe has recently agreed on regarding people doing a PhD as employees (European Charter for Researchers and Code of Conduct for the Recruitment of Researchers, by the European Union). Developments in Groningen thus run counter to European developments.