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ECPRD REQUEST 2800

Incentives for Retaining Academics in Rural Areas

FINAL SUMMARY

PREPARED BY
The Research Service of the Swedish Parliament

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INCENTIVES FOR RETAINING ACADEMICS IN RURAL AREAS

The following questions were sent to seven European countries: Austria, Denmark, Finland, Germany, Norway, Spain and the United Kingdom.

- 1. In your country, are there any incentive schemes put in place to motivate academics to live and work in rural areas? (For example tax reductions, or the reduction of study loans etc.)*
- 2. If so, please specify what types of incentives. All examples are of interest, whether they are part of a broader government/regional policy or in the form of local initiated projects.*
- 3. It would also be of interest to learn whether the incentives have been successful in keeping academics living and working in rural areas.*

Introduction

The Swedish Research Service has received replies from all seven countries following the request. Based on the information received, it is evident that most of the countries in question do not apply any incentives to motivate persons with an academic education to live and work in rural areas. The Research Service's counterparts in Austria, Denmark, Finland, Spain, and the United Kingdom replied that there currently are no incentives to retain academics in rural areas in these countries. Two of the countries, Norway and Germany, do have different types of incentives in use aimed at certain professions. These countries have provided examples of different kinds of incentives, such as cancellation of student loans, financial contributions and offers of accommodation. From the responses received, these incentives are aimed at two specific professional groups, namely teachers and doctors.

The replies from Norway and Germany are described more in detail in the following. Replies from all contacted countries are available in full at the ECPRD web site, under the heading Requests/Studies (request no. 2800).

Norway

The Norwegian State Educational Loan Fund – Lånekassen – gives financial support to students. The repayment period is normally 20 years. In some cases they may cancel parts of the loan. This applies if you live and work in certain parts of Northern Norway: In the county of Finnmark and in six communities of the county of Troms. 10 percent of the original loan, maximum Nok 25 000, can be cancelled. The release of the loan can only take place after you have lived and worked in the specific region continuously for 12 months.

In the last couple of years, also those working as medical doctors in specific communities in four different counties, have the opportunity to have a part of their study loan cancelled. They do not have to live in these specific communities, the chief county medical officer will decide who has employment as a doctor in these areas.

Statistics from Lånekassen:

Finnmarksordningen (ie. Northern Norway)

2012: 7 158 persons have their study loans released, total amount NOK 128 900 000.

2002: 6 277 persons have their study loans released, total amount NOK 75 200 000.

Doctors:

2012: 10 persons have their study loans released, total amount NOK 200 000.

Germany

In some of the German Laender (federal states), the governments have initiated campaigns to attract academics to live and work in rural areas.

Due to the diversification of incentive schemes in the sixteen Laender in Germany, some specific examples of such initiatives in Germany are described in the reply. Please see below.

- The **Free State of Bavaria** has initiated a program in 2012 to motivate doctors to live and work in rural Bavaria. Financial means of 15.5 million Euros were designated for the period 2012 to 2014 to this program. A general practitioner can receive a financial aid of up to 600.00 Euros in order to establish his/her practice in a municipality of less than 20.000 inhabitants under this program, if there are not enough general practitioners in that specific rural area. With this financial aid, the Free State of Bavaria tries to make sure that a spatially inclusive and comprehensive medical care is available to all its inhabitants, even in secluded rural areas.

- A similar initiative has been undertaken in **Lower Saxony**, where the government started a program to strengthen regional inclusive medical cooperation. For the period 2014 to 2017, the government provides some 600.000 Euros annually to promote projects such as:
 - Intersectoral supply
 - Recruitment (of medical and nursing professionals)
 - Health promotion and prevention
 - Mobility
 - Relief for physicians (e.g. by enabling physicians to delegate issues)

Additionally, the Association of SHI Physicians of Lower Saxony in cooperation with the Ministry for Social Affairs and the Statutory Health Insurance has set up a fund, from which practitioners willing to settle in rural Lower Saxony can receive further financial aids (so called *Niedersachsenfond*).

In this context, Lower Saxony launched a campaign to especially attract young physicians to a settlement in rural areas in January 2015. The campaign aims at making information to interested physicians easily accessible, at helping with financial aids and also intends to actively inform students at local med schools about the career opportunities in rural Lower Saxony.

- In **Brandenburg**, politicians are currently discussing how to attract teachers to certain rural areas. The Minister for education has proposed to offer monthly extra allowances of 300,00 Euros to teachers, who take a post that has been vacant for a significant amount of time before. This proposition is now under examination with regard to how it can be set into valid legislation.

The examples from Bavaria and Lower Saxony regarding the settlement initiatives for physicians seem to be successful. In Bavaria, so far 113 individual settlements of physicians and 11 establishments of subsidiaries of existing practices have taken place with financial help from the program.

With financial aid from the *Niedersachsenfond*, eight physicians settled in Lower Saxony in 2014.