

Education's report on Higher Education funding was disappointing not only because it did not contain any solution to the problem as promised by the Chief Minister during the MTFP debate, but also because it was clear that the Minister and his department had clearly made no effort at all to find a solution subsequent to this promise and before publishing their report. The options examined in the report are not solutions (a discussion of these proposals is appended) they are a regurgitation of ideas floated at a workshop with parents months ago that anyone of us could have compiled into a report within days of that workshop.

There will be no resolution to the issue of Higher Education funding while the Education Minister continues to look for magic wand solutions. There are only two meaningful options, an adequate grant system and a student loan system. We would all prefer an adequate grant system, but are proposing a loan system because surely it is the easiest of these options on the public purse. More than being the only workable solutions, these options are the right way in principle to deal with the issue.

The Minister identifies and states, incorrectly, in his report that it is accepted, that the "stakeholders" in higher education are the students, the States and the parents. Of these currently the parents shoulder by far the largest proportion of the financial load. However why should parents have any obligation to fund higher education at all?

These students are not minors, they are legally independent adults exercising their right to make their own decisions. It is wrong that their choices are dependent on their parent's ability and willingness to pay. It is wrong that parents should have any obligation to pay and it is right that the students should bear at least some of the financial consequences of their decisions.

Any parent who has children at university will be aware that the university will not speak to the parent regarding any aspect of the student's course or accommodation, even if they are paying. The university, the law and the the world at large do not regard this as anything to do with parents. The Minister's notion that parents are "stakeholders" is out of touch with the way the world actually is.

The majority of parents do of course want the best for their children and are prepared to help financially to the extent that they can. Given a loan scheme, doubtless many parents will continue to help their children with higher education in the same way they might with mortgage down payments, for example. But this should be a matter of choice not obligation.

If this is looked at from a user pays perspective it should be noted that the beneficiaries of higher education are, the student, the island as a whole as represented by the States and the student's future employers, not parents.

Given that the UK government, despite being constrained by austerity, has, during the course of this parliament, extended their student loan scheme to be the default way of funding all higher education, perhaps our Minister now feels foolish in his previous dismissal of this scheme as

“broken”. For whatever reason, his analysis of the cost of a loan scheme seems designed to show it in the worst possible light. We have suggested that Scrutiny ask the Minister for the details of his calculation of cost/exposure but we have seen nothing, so it is difficult to comment with confidence. However it appears that Education’s figure is derived by taking 500 students attending university from Jersey a year, multiplying by £60 000, the cost of three years at university, and multiplying this by 25 years. This assumes 100% of students take up the loan, which is unrealistically pessimistic; that those students take out 100% of the available loan, which is unrealistically pessimistic; and that no repayments are made for 25 years, which is unrealistically pessimistic. The Minister admits that it is a worst case scenario calculation, but it is like calculating the State’s exposure on the Finance Centre on the assumption that no one pays any rent!

A more strategic analysis should perhaps also take into account the cost of not doing it, such as importing skills, health care costs for parents in their old age who have blown their savings on higher education; and the financial benefit of doing it, graduates earn more and pay more tax. The report does not examine this option with an open mind.

Notwithstanding the above, the Minister acknowledges that Jersey is a wealthy island yet in the next breath declares that we cannot afford to do what significantly less wealthy countries can afford. If this is the case something must be drastically wrong.

The Minister has also said that there is no money available for a solution and no one has come up with any ideas of how to solve the problem with no cost. This just isn't good enough. These are the CoM’s fiscal policies that are not working, they need to make them work or change them. Perhaps they need to look more at the beneficiaries as suggested above.

DISCUSSION OF REPORT’S PROPOSALS

A saving scheme solves nothing and is frankly condescending, parents are perfectly capable of arranging their own savings if they know what they are in for and if it is feasible to save the amount of money required.

European universities are a good option for some students, but aside from the obvious language and cultural difficulties, they are cheaper because they are subsidised by the taxpayers of those countries, if we seek to exploit that are we not heading for the same difficult position we found ourselves in with Jersey students taking out UK loans, BREXIT or not?

While Highlands does a very good job with the degree courses it provides there is no way it can ever provide courses suitable for the majority of Jersey students. Even UK universities with tens of thousands of student can't provide courses suitable for all Jersey students. If Campus Jersey expands the courses it provides, as suggested by the Minister, there is real danger that the courses it provides will be not very good and expensive. Campus Jersey cannot provide a course for four students as effectively as a university that is providing that course for 400

students. It should also be noted that the real cost of maintenance in Jersey is not low, it is just hidden, borne again by the parents.