

When Figures Become Facts

Leigh French

The Dearing Report is the Government commissioned white paper to advise them on the 'development of Higher Education'. Cutting through the rhetoric of inclusive Higher Education and the cultivated society, the accent of the commission was on finding ways in which the financing of Higher Education could no longer count as Government 'public spending' (as the present 50:50 loan and grant system does). The underlying reason for this has been largely ignored, or accepted, by most reporting on the subject. In rationalising the financing of Higher Education as 'private spending' it is removed from the Government's books and is one way of cutting public expenditure: a necessity in meeting the convergence criteria for monetary union.

From the Report's findings it would appear difficult to simply re-categorise the financing of Higher Education from 'public' to 'private' spending if public money or public agencies are involved. Ultimately, the complete privatisation of the financing of Higher education lies down this slippery route. This would mean students paying for their education via a private loans system, with private money and the private collection of such debt. For the private sector to buy the debt from the Government in the first place the system would have to promise enough of a financial return. Students and parents would not only end up paying for education they would also be paying for the private market's profits. In the short term, however, the Higher Education financial 'shortfall' (a cut of some 40% over the last 20 years) to patch up the neglected, decaying system will have to be sought from somewhere. This 'shortfall' is compounded with the white noise coming from Government over wanting to expand the 'sector' of Higher Education. The difficulty of course is that the Government has made pledges not to increase public spending and, it would appear, would like to see the financing of Higher Education struck from its books altogether. Effectively the financial shortfall and costs of expansion are being pushed onto the already impoverished Universities/Colleges and all students/parents. This can only be seen as a continuation of the Tory buck passing in the total privatisation of the state.

One strong recommendation of the Dearing report is the introduction of a £1,000 'Tuition Fee' (being around 25% of the 'present' average cost of Higher education tuition) levied on 'graduates in work'. This fee would be a flat rate, for all students across all subjects taken, through an "income contingent mechanism", that is, it would be paid in relation to what a graduate is earning once in work. It recommends that such a system be put in place by 1998/99. However, money could not be collected by this method until the income of those 'graduates in work' is assessed at the end of that financial year. For full time courses this could be 4 or 5 years on from the implementation of such a scheme, when the first round of students graduate and complete that first year of work, and then only those earning above a 'threshold' would be additionally taxed for the payment of fees.

Although the Dearing Report recommends that a Central Agency be established to administer the 'Tuition Fees', it is feared the Colleges/Universities would play a major role in administering the scheme with no extra funding being available for them to do so. Under-resourcing is already recognised as the major problem within Higher Education, this would only exacerbate it. Not only that, but the exact destination for all this money is unclear to say the least. This scheme also does nothing to tackle the immediate financial crisis.

Recently, at the Labour Party's conference, David Blunkett presented such student fee repayment proposals. As similar events in Australia are testament, the scheme in reality is the thin end of the wedge leading to the total privatisation of Higher Education. Far from encouraging more participation in Higher Education, the additional burden of debt will deter

many potential students from less financially well-off backgrounds entering Higher Education. For those who do go through education this additional debt will have major implications in gaining other forms of credit, e.g. mortgages. The Government's excuse for this method of funding is that those going through Higher Education have better earning potential and should therefore consider education as a financial investment, as a return on what they have purchased, a continuation of the Conservative's vocational education rhetoric. With racial and sexual inequalities in employment, pay and promotional opportunities the proposed system will present a disproportionately greater burden on women and people from ethnic minorities. As the larger percentage of higher earners have gone through Higher Education there is already a mechanism in place to pay for the Higher Education system, income tax. Raising income tax for those earning the most and able to contribute more to society

seems to have been lost in the fear of releasing the scorn of Labour's genie-in-the-bottle, 'middle England'.

Although the Scottish Parliament, when established in 2000, will have tax varying powers, it is questionable if it will have the ability to legislate, or challenge legislation, on the financing of Higher Education. The Dearing Report recommends that "the proportion of a student/ parental contribution should not be increased without an independent review and an affirmative resolution of both Houses of Parliament" (which I take to mean House of Commons and House of Lords). If the objective is to see the removal of Higher Education financing from the Government's 'public spending', it will be interesting to see what exchanges occur between it and the proportionally representative Scottish Parliament on the principles of *free* education.

What follow are replies from a number of Scottish based colleges and universities holding visual arts/media related courses, invited to respond to the issue of tuition fees.

This £1,000 tuition contribution is much talked about but I must say that I am far from Clear about it. It certainly begs some questions and I do wonder about the vigour of its proper consideration. So my response is brief and in the form of some of the questions that it raises in my mind. The questions are not set in any priority.

1 What is it going to cost to collect this money and who does it? Is it done centrally, or by the institution? If it is the institution, then it is yet another administrative burden.

2 Where does the money go?

3 It seems to further shift the emphasis from education as a process to education as a means of production.

4 Can this tuition contribution be seen as a barrier to Higher Education efforts to increase awareness and recruit from areas of low, Higher Education aspirations and expectations.

Clearly how to fund Higher Education is a major issue at this time and not just in the UK. The proposed tuition contribution does not, for me, offer signs that a more fundamental and long term look at this question is being fully investigated or discussed. Globally there are a range of differing funding models to regard and learn from.

**Ken Mitchell, Deputy Convenor,
School of Fine Art, Glasgow School of Art**

We view the imposition of yearly £1,000 tuition fees as a retrograde step. Students at Scottish Universities can already expect to graduate with debts of £4—5000. Fees can only add to the disincentive effects of such debts.

If people enter education in order to make themselves more employable they will, and our survey evidence has already shown this to be the case, begin to reconsider that decision if the debt they incur outweighs any financial benefit that arises from holding a degree. This is to the loss of society as a whole and there is no need for this as higher earning students contribute extra already through a system of progressive taxation.

Unfortunately, the effects are likely to be exacerbated by the Government's further plans to abolish the student grant in favour of a loan system. Glasgow University Student Representative Council and the majority of University Student Associations in Scotland are opposed to this, unlike NUS Scotland. We are generally concerned that the four year honours degree will suffer because many students will be required to pay an additional £1,000.

We are generally concerned that the focus has exclu-

sively been on tuition fees and consider the abolition of the grant to be as, if not more, important.

**Jonathan Wright, Senior Vice-President,
Student Representative Council, University of
Glasgow**

Many students are already struggling to get by financially and there can be no doubt that many are damaged academically because of the time and effort they put in to that struggle. Some try to use their 'part-time' job as an excuse, but most of those who say they are in difficulty often really are, both ways. At Glasgow Caledonian University we are proud of the fact that a relatively high proportion of our students come from disadvantaged backgrounds, and succeed, often as the first graduates in their families, but these are precisely the people who have financial problems now, and who will be further discouraged by any direct tax on learning.

From the viewpoint of the institutions, budget cuts put pressure on us to retain the increased numbers of students we are expected to recruit, especially in the high fee areas which are also the most difficult to recruit for.

It has been proposed that even the £1,000 per student will not come to us, but be spent on administration, so there is yet doubly-downward pressure on the quality that we can offer and that our poor students can achieve.

I can therefore envisage a time when only a small minority can afford, and value, what the rest cannot afford and don't value anyway because what can be obtained is also impoverished.

**Professor W T Scott, Head of Dept. of Language
and Media, Glasgow Caledonian University**

Glasgow Caledonian University welcomes many of the conclusions and recommendations of the Dearing Report—in particular its commitments to maximum flexibility and the widest possible access, its emphasis on quality and standards and the parity of importance it attaches to teaching and learning alongside research. We also endorse the focus on work experience and student placements as part of all educational programmes.

We also welcome the Report's call for urgent action to tackle the funding crisis currently facing universities and colleges. In the evidence we gave to the Inquiry we made clear that we do not support either income-contingent loans being applied to fees or the introduction of top-up fees. We accept, however, that graduate contribution may be the only realistic solution to guarantee the provision of high quality educa-

tion into the millennium. We will be keeping a close eye on the funding proposals to ensure that they help not hinder our efforts in wider access.

**W J Laurie, Acting Principle, Glasgow
Caledonian University**

It is the view of Napier's Students' Association that student contributions to tuition fees are alien to the whole philosophy of education in this country, and contrary to the Government's stated aim of increasing participation in Higher Education.

There is a great fear that students from poorer backgrounds would be penalised and deterred from entering the Higher Education sector by this proposal. Places at Universities in Britain could be allocated not on academic ability but on ability to pay. This could result in a two-tier system in Britain, much like the 'Ivy League' in the US.

At present students face severe financial hardship. The current system of grants and loans does not work, failing as it does to provide a level of income on which students can survive. Most students are without access to any kind of income support or state benefits and currently live on, or below, the poverty line. The introduction of fees will greatly increase this pressure. We believe that such financial pressure will result in able students being denied qualifications, and many areas of life, such as the arts and media, therefore being denied talented contributors.

The present Government campaigned on a platform of opposing the introduction of fees, and we feel that they should have stuck to this position. It is interesting to note that at a February rally in Edinburgh against student hardship, a notable Labour MP, now a junior minister, and a (subsequently successful) Labour candidate spoke out against fees and claimed that a Labour government was the best way to avoid this threat.

Napier Students' Association are fundamentally opposed to fees, and have been and will continue to be using every means at their disposal to stop their introduction. We have written to various MPs expressing our opposition, and will be active participants in the NUS Day of Action on November 1st.

**Bill MacDonald, President, Napier Students'
Association**