

EDUCATION



10 DOWNING STREET

Terence

Could a copy of the  
attached go to  
Julian Sexton at  
DES immediately \*  
saying - "for  
information only -  
Tony Greenland in  
CRD looked this  
up at my request."

Terence

\* KS is making a statement in the  
House long.

PARENTAL CONTRIBUTION TO STUDENT GRANTS

Question

Would a Conservative Government reduce the parental contribution to student grants?

Suggested Answer

In its promised review of student grants, the next Conservative Government will give priority to a reduction in the parental contribution as economic circumstances permit.

Shadow Statement

Mr. Mark Carlisle, Conservative Spokesman on Education has promised: "A thorough review of the system of student grants in which highest priority for any extra funds will go to reductions in the parental contribution...." (Liverpool, 1st April 1979).

Background Note

At present, all full-value awards are subject to a parental means-test. Under this system, most students in higher education remain financially dependent on their parents until the age of 25 unless they have been self-supporting for at least three years before starting the first year of their course.

The starting point for the parental contribution was raised last year from £3,200 to £3,800. There is a minimum maintenance grant of £200 per annum.

An Office of Population Censuses and Surveys survey has indicated that over 70 per cent of parents are either unable or unwilling to pay the assessed parental contribution, while an NUS estimate puts the figures as high as 84 per cent.

In the academic year 1978-79, the estimated cost of abolishing the parental contribution for students aged between 21 and 25 is between £20 million and £25 million. The cost of abolishing the parental contribution altogether would be about £100 million.