



DEPARTMENT OF EDUCATION AND SCIENCE
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FROM THE SECRETARY OF STATE

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
Treasury Chambers
Parliament Street
London SW1

Pamie Printer

To be aware.

DRS

31/10.

31 October 1985

Jean Mifflin

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REVIEW OF STUDENT SUPPORT

Thank you for your letter of 18 October. I have now considered this along with the responses of other colleagues, and the Prime Minister's comments, and I am persuaded that it would be best to abandon the idea of publishing a consultative paper, and to wind up the review.

As you well know, I have always been an advocate of student loans and I regret that this option was rejected in the summer. It is now clear to me that in present economic circumstances there is no realistic alternative way of financing any major changes to the student support system, and I recognise that the publication of a consultative paper would in these circumstances raise expectations which could not be satisfied and would lead to pressure on expenditure.

I shall be announcing the decision about the review by means of an arranged Parliamentary Question early in November (see text attached).

I am copying this letter to the Prime Minister, Quintin Hailsham, George Younger, Nick Edwards, Leon Brittan, Norman Tebbit, Tom King, David Young and John Wakeham, and to Sir Robert Armstrong.

Erin Keir

QUESTION

To ask the Secretary of State for Education and Science, whether he expects to publish a consultative paper as part of his review of the student support system.

ANSWER

Now that the possibility of replacing maintenance grants wholly or partly with student loans has been rejected by Government, I do not consider that any useful purpose would be served by the publication of a consultative paper.

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