

Prime Minister



I thought it best to get Foreign and Commonwealth Office  
this cleared up. London SW1A 2AH

Neither the F./C.O. nor any other  
dept. now has a £10m. fund  
for overseas students.

3 December 1982

A.S.C. Jr.

Dear John,

Overseas Students

In your letter of 26 November, you told us that the Prime Minister had again referred to a £10 million fund held by the Foreign and Commonwealth Office for overseas students. We have considered a number of possible sources which might have given rise to the impression that such a fund existed. I do not think I can do better than set these out.

The brief on overseas students' fees prepared for the Commonwealth Heads of Government Meeting in Melbourne in 1981 said in paragraph 10 that 'Resultant saving [from the withdrawal of the subsidy on overseas students' fees] of some £90 million a year out of the original subsidy in excess of £100 million is part of overall government financial policy'. This could be interpreted as leaving a subsidy of £10 million for overseas students but in fact this balance was already fully committed for the concession to students from European Community countries and launching the Overseas Research Students Fee Support Scheme (ORSFSS). (The cost of the concession alone now amounts to over £14 m).

Earlier in the brief (paragraph 6) it was stated that assistance to overseas students was 'extended via the Aid Programme, British Council scholarships and the Department of Education and Science's bursary scheme for postgraduate students ... By 1982 - 83 it will cover some 1,500 students at an annual cost of some £3 million. Earlier this year, £6 million of aid money was reallocated to restore the number of new awards in 1981-82 under government to government programmes to approximately the levels of the peak year 1978 - 79'.

This paragraph may have suggested that around £10 million was available for overseas students but the £6 million was a one-off allocation of additional aid funds to training programmes (Roger Bone's letter of 26 October).

Another possibility is the new programme of bursaries for overseas students generally launched earlier this year by Cambridge University. Recently, we learnt that the University itself has £10 million of which the income could be used for overseas students. Mr Callaghan and Lord Carrington are among the sponsors of this Cambridge University initiative and may have mentioned it to the Prime Minister.

/You will



You will see that we have not been able to identify a simple explanation of how the Prime Minister came to think that a £10 million fund for overseas students was available. No such fund exists at present. We have confirmed this with DES and ODA.

*Yours ever  
for Holmes*

(J E Holmes)  
Private Secretary

A J Coles Esq  
10 Downing Street

File

089  
Mauritius

7 December 1982

OVERSEAS STUDENTS

The Prime Minister has noted the contents of your letter of 3 December in which you explain that it is not the case that the Foreign and Commonwealth Office has a £10 million fund for overseas students.

A. J. COLES

John Holmes, Esq.,  
Foreign and Commonwealth Office.

*[Handwritten signature]*



Mauritius

HL

10 DOWNING STREET

*From the Private Secretary*

26 November 1982

Overseas Students

The Prime Minister has recently referred again to her understanding that the Foreign and Commonwealth Office has available a £10 million fund for overseas students. You may recall that she also referred to this fund in her recent conversation with the Prime Minister of Mauritius (see Roger Bone's letter of 26 October).

It would be helpful if you could let me know the precise facts. The letter from Roger Bone suggests that the sum in question was available only in the financial year 1981/82 and that there is no money for this financial year. Is this interpretation correct?

A. J. COLES

John Holmes, Esq.,  
Foreign and Commonwealth Office.

Mauritius

HL

28 October 1982

Visit by the Prime Minister of Mauritius

The Prime Minister has noted the contents of your letter of 26 October about the question of scholarships for Mauritius students in this country.

JOHN COLES

Roger Bone, Esq.,  
Foreign and Commonwealth Office.



Foreign and Commonwealth Office

London SW1A 2AH

26 October 1982

*See below*

Visit by the Prime Minister of Mauritius

In your letter of 11 October you asked us to follow up two points arising from the Prime Minister's conversation with Mr Jugnauth. The question of the Ilois claims has been followed up separately. I am sorry that we have been a little slower in responding to the question about scholarships in this country.

The number of training awards offered to Mauritius under our government to government aid programmes varies from year to year depending on the money available within the country programme, and the demands on it by 'continuers', that is existing award-holders who continue on to second or later years of courses. The awards also vary in value according to the length of the courses they cover. The 1982-83 allocation of £200,000 enabled 34 new awards to be offered to Mauritius; there were three continuers. For 1983-84 a sum of £225,000 has been earmarked for Mauritius which should enable 25 new awards to be offered. In addition the British Council, who administer the ODA training programme, offer Mauritius one scholarship from their own resources (the funds have stretched to two scholarships in 1981-82 and 1982-83).

When the Prime Minister mentioned to Mr Jugnauth a £10 million fund for overseas students she perhaps had in mind the additional aid funds (rather less than £10 million in fact) which were allocated to training programmes in 1981-82 and which were intended to restore the numbers of new awards for that year under certain schemes to approximately the levels of 1978 and 1979. Mauritius did not, in the event, draw from these extra funds. This was because the Mauritian Government were slow in taking up all the 33 awards which had been offered to them in 1981-82 under the existing allocation. Indeed, at the end of that financial year, the programme was £10,000 underspent.

I should perhaps add that Mr Jugnauth may have been referring to difficulties faced by undergraduate students from overseas, to whom of course these training awards under government to government aid programmes do not apply.

*See below*

(R B Bone)  
Private Secretary

A J Coles Esq  
10 Downing Street