Foreign and Commonwealth Office

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2 November 1983

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Dear John

Canadian Students

Thank you for your letter of 3 October on the question of fees for Canadian students in Britain, which had been raised during the Prime Minister's visit to Canada.

The introduction of higher fees for overseas students was felt very keenly by the Canadians. They hoped that they might be classified as an exception to the general rule because of the striking imbalance between the number of Britons studying in Canada and the number of Canadians studying in Britain - about three times as many, the largest imbalance we have with any country. The number of Canadian students in the UK has in fact declined from 1,137 in 1977/78 to 474 in 1981/82.

Alberta has been pressing the DES for a reciprocal waiver of fees at government level. This would be the best solution for them but there are difficulties. It would cost the UK more money. Moreover, in Canada, education is the responsibility of the provinces individually and agreements with individual provinces are not favoured either by the Federal government or by HMG. A further point is that other countries would undoubtedly seek similar arrangements with us.

An Anglo/Canadian working group of university and polytechnic sector representatives has been set up to consider the extension of existing institution-to-institution arrangements. We shall give a fair wind to further such exploratory meetings.

In the meantime there are the several schemes which benefit Commonwealth and particularly Canadian students. The Commonwealth Scholarship and Fellowship Plan provides for full awards to high calibre students, mainly for postgraduate study. An extra £1 million (£0.2 million from the FCO and £0.8 million from ODA) has been made available to the Plan for 1983/84 to provide 125 extra awards. Over the next two years the increased provision will be at ind £21 million each year. During 1981/82 Canada held 56

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Commonwealth Scholarships in the UK out of a total of 437. As a result of the additional funding this number has increased to 84 in 1983/84.

The Overseas Research Students Award Scheme (ORSAS) was set up by the DES in 1979 to provide awards for partial remission of tuition fees to overseas post-graduate students of outstanding merit and research potential. scheme is administered by the Committee of Vice Chancellors and Principals on behalf of the DES. Out of 1205 awards in 1982/83, 98 went to Canada. The DES will be making the scheme more flexible in future years and Canadians and others will benefit from this.

The new FCO Scholarships and Awards scheme is a selective scheme designed to serve the national interest including diplomatic and cultural, business and traderelated objectives. A principal aim of the new awards will be to bring to the UK present and future leaders, decision-makers and formers of opinion. In 1984/85, the first full year of the scheme, some £1 million has been allocated for use in Commonwealth countries, and of this £60,000 will be available to assist Canadian students.

We consider that by these means we are helping Canadian students substantially, and that we have given Canada a fair share of the present available funds for overseas students. At the recent Anglo/Canadian Cultural Talks the Canadians seemed to accept the efforts we have already made and that facilitating inter-institutional arrangements is the right way ahead. In the circumstances we do not consider that a further gesture towards Canadian students under the arrangements described in paragraphs 5 - 7 above should be made.

You ever, Peter Richarts

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