

ENTERPRISE AND LIFELONG LEARNING COMMITTEE

Tuesday 14 November 2000
(Afternoon)

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EDUCATION (GRADUATE ENDOWMENT AND STUDENT SUPPORT) (SCOTLAND) BILL: STAGE 1 1303

ENTERPRISE AND LIFELONG LEARNING COMMITTEE

† 27th Meeting 2000, Session 1

CONVENER

*Alex Neil (Central Scotland) (SNP)

DEPUTY CONVENER

*Miss Annabel Goldie (West of Scotland) (Con)

COMMITTEE MEMBERS

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP)

Nick Johnston (Mid Scotland and Fife) (Con)

Mr John Home Robertson (East Lothian) (Lab)

*Marilyn Livingstone (Kirkcaldy) (Lab)

*George Lyon (Argyll and Bute) (LD)

*Ms Margo MacDonald (Lothians) (SNP)

*Mr Duncan McNeil (Greenock and Inverclyde) (Lab)

Dr Elaine Murray (Dumfries) (Lab)

*Elaine Thomson (Aberdeen North) (Lab)

*attended

WITNESSES

Rowena Arshad (Independent Committee of Inquiry into Student Finance)

Dr Tony Axon (Scottish Trades Union Congress)

Andrew Cubie (Independent Committee of Inquiry into Student Finance)

Dr Judith George (Open University)

Marian Healy (Independent Committee of Inquiry into Student Finance)

Dugald Mackie (Independent Committee of Inquiry into Student Finance)

Dr Paddy Maher (Open University)

Anne Middleton (Scottish Trades Union Congress)

Peter Syme (Open University)

Howard Wollman (Scottish Trades Union Congress)

CLERK TO THE COMMITTEE

Simon Watkins

SENIOR ASSISTANT CLERK

David McLaren

ASSISTANT CLERK

Linda Orton

LOCATION

The Chamber

† 26th Meeting 2000, Session 1—held in private.

Scottish Parliament

Enterprise and Lifelong Learning Committee

Tuesday 14 November 2000

(Afternoon)

[THE CONVENER *opened the meeting at 14:05*]

The Convener (Alex Neil): I welcome everyone to the 27th meeting of the Enterprise and Lifelong Learning Committee.

Before we consider today's main business, I ask the clerk to read out the apologies.

Simon Watkins (Clerk): We have had apologies from John Home Robertson, Fergus Ewing, Nick Johnston and Elaine Murray. They all have other committee commitments. Brian Monteith has indicated that he may join us during the meeting.

The Convener: I also point out to members that this meeting is being webcast, which means that you will be watched for the full three hours of this meeting.

I declare an interest, having been an economic consultant in Scotland until last year. I do not see any clash with what the committee is discussing this afternoon, but that sets the record straight.

Education (Graduate Endowment and Student Support) (Scotland) Bill: Stage 1

The Convener: We are taking three sets of evidence on the Education (Graduate Endowment and Student Support) (Scotland) Bill this afternoon.

We will start off with members of the independent committee of inquiry into student finance. I welcome them and thank them for coming.

They will be led by the chairman of that committee, Andrew Cubie. The other members of the committee who are giving evidence are: Rowena Arshad, director of the Centre for Education for Racial Equality in Scotland; Marian Healy, further and higher education officer for the Educational Institute of Scotland; and Dugald Mackie, secretary of the University of Glasgow, who is going to the far east after this meeting—we will not delay you, although the truckers might.

I ask Mr Cubie to make some introductory

remarks.

Andrew Cubie (Independent Committee of Inquiry into Student Finance): On behalf of my colleagues, I will say how pleased we are to have the opportunity to give evidence to the committee.

We are four representatives of the 14-strong committee that I had the privilege to chair last year. We are here as individuals because the committee was disbanded at the end of last year. I probably reflect the views of my colleagues in saying that we feel akin to those at further and higher education establishments, in that we did our course work last year and are here for our orals today. I hope that our evidence to the committee is helpful.

We set great store by the establishment of guiding principles, which we reached about midway through our work. They influenced our recommendations strongly. My colleagues and I were pleased that the Scottish Executive accepted those guiding principles. We saw our 52 unanimously agreed recommendations, from an independent committee composed of members from different backgrounds, as an affordable and coherent package that met the terms of reference to which we had to work.

The fact that we were unanimous does not conceal the fact that we had some spirited debates in reaching our conclusions, but we reached them. We did so as a result of our own experience, the extensive consultation process that we undertook throughout Scotland and the research that we commissioned.

We were able to say at the end of last year that we presented our recommendations with some authority, based on those elements. I am sure that the Parliament that approved of our creation would have expected nothing less than that from us in our diligence. By the nature of these things, however, we had limited time in which to undertake a comprehensive review of the matters that were given to us. Some issues—the European Union dimension, for instance—could have borne some further review.

We were not specifically requested to consider the funding of institutions—we considered only student finance—but we made clear in our recommendations that we hoped that there would be no diminution of funding for institutions as a result of our recommendations. I am pleased that the Executive has proceeded in that way.

We are satisfied that many of the Executive's responses follow the broad thrust of our recommendations, but there are areas about which we have concerns, such as the threshold level for repayment of the graduate endowment being when salaries exceed £10,000 as opposed to £25,000, wider access bursaries and some of

the European Union issues. That said, our committee was gratified by the broad support that we had from institutions, staff, students and others in civic society as we completed our work.

We have also been pleased that, following our report, which was presented in December, the Northern Ireland Assembly has established a committee with broadly similar terms of reference. That committee reported to the Northern Ireland Assembly on 14 October and I am pleased to say that it followed many of the recommendations that came from our work. I have copies of that report with me and will make them available to this committee, if members do not already have copies.

I hope that my introductory remarks have been helpful. All 14 of us became enormously engaged in this issue. We recognised that there was an opportunity for Scotland to be aspirational and to show a lead on student finance. We believed that the recommendations we offered allowed that to happen, because we all saw clearly the need to allow individuals of whatever social circumstance to develop their talents to the full. We recognised that it was appropriate that society should contribute to that. We understood that fairness—the word that featured on the cover of our report—indicated that all graduates who had benefited substantially from their education should make a contribution to assist others and that, from that, the economy of Scotland would benefit.

You see before you four representatives of a group that melded well together in the recommendations that we gave to the Executive. With those words, we are happy to do our best to respond to your questions.

The Convener: Mr Cubie, you mentioned the guiding principles that are outlined in your report. Are you satisfied that they have been met and that the bill is compatible with them?

Andrew Cubie: In many respects, the detailed responses of the Executive are compatible. However, on the threshold at which a graduate is invited to contribute to the endowment, they are not.

It seems probable that the proposed level—a graduate salary of £10,000—would give rise to a graduate tax. There is evidence of 100 years that graduates earn substantially more than non-graduates. The appropriate threshold for repayment should be above national earnings, at a level that—for most people—indicates that they are well on their way to a successful career. Colleagues may wish to add to this, but I believe that fixing the level at £10,000 does not meet the guiding principles that we identified.

14:15

Marian Healy (Independent Committee of Inquiry into Student Finance): The non-introduction of the wider access bursary militates against especially disadvantaged students who might not otherwise be able to obtain such an efficient package of support. If the Executive is minded to think again, the wider access bursary is vital if we are to get to grips with the inequalities in Scottish society.

The Convener: The Executive has stated that one of the main reasons for fixing the threshold at £10,000 instead of £25,000 is the cost of collection. You made some specific suggestions about replacing the Scottish Student Awards Agency with a new organisation called Student Finance Scotland. Did you look into the detail of the cost of collection and establish whether the cost of collection by an organisation other than the Student Loans Company would be prohibitive?

Andrew Cubie: No, we did not cost the establishment of such an organisation. It would have been difficult for us to undertake that in the time we had available. To set that recommendation in context, we felt that such an organisation would have a proactive role in assisting students in financial matters in general and that it could give advice to ministers. It would have a slightly broader role. In addition, we recommended that the sum to be contributed by graduates—on our recommendation that would include all graduates—would be larger than the Executive's proposed figure of £2,000. I am afraid that, with regard to your main question, we did not cost that in detail.

The Convener: I have not seen the Northern Ireland report. Has it recommended a threshold that is different from the one in Scotland?

Andrew Cubie: It has recommended £25,000 as the threshold. It is not for that reason alone that I offer that report to you, convener. It picks up some of the strands. I am not aware of Northern Ireland having produced any information on the cost of the process, although I recollect that it does not recommend the creation of a separate body for collection.

The Convener: Does the report recommend that in Northern Ireland payment is collected through the Student Loans Company?

Andrew Cubie: Yes.

Dugald Mackie (Independent Committee of Inquiry into Student Finance): We did not engage in an informal dialogue with the Student Loans Company last year because—to put it crudely—the Student Loans Company was the Scottish Qualifications Authority of 1999. In our consultation with the public, students and others,

the one organisation that attracted the most opprobrium was the Student Loans Company.

Things have changed since 1999 and the Student Loans Company has achieved much in improving its performance and how it deals with students—and, indeed, with their parents. If we were to speak to the Student Loans Company now, it would say that it might be perfectly possible to have different collecting mechanisms for a graduate endowment and a student loan. That is technically perfectly possible.

Ms Margo MacDonald (Lothians) (SNP): My apologies, convener, I may be mistaken—I am not certain—but did Mr Cubie say at the end of his remarks that the difference between his recommended threshold and the threshold in the bill is so great that it compromises the guiding principles of the report, which undermines the balance that he was trying to achieve?

Andrew Cubie: That was what I sought to say, although you used your own words. We strongly believed that the principle of graduates who have achieved financial success being able to make a payment to help others was feasible with an income threshold of £25,000, but not with a threshold of £10,000. That is not a slight difference; the difference is substantial.

Ms MacDonald: Mr Mackie, do you know whether the Northern Ireland education department has taken advice from the Student Loans Company on whether it can collect for Northern Ireland students?

Dugald Mackie: I have no idea, but I suspect that some discussion will have taken place between officials in Northern Ireland and the Student Loans Company.

George Lyon (Argyll and Bute) (LD): Last week, when we put the question of the repayment of student loans to students and asked them whether they had opposed the lowering of the threshold from £16,000—as I understand the threshold used to be—to £10,000, they replied that they had not vigorously opposed the proposal because the system was fairer. Given that you have stated that you have concerns about the threshold, that you set the threshold at £25,000, that your proposal was to collect double what is to be collected under the Executive's proposed scheme and that in evidence last week the Executive stated quite clearly that the total amount that is to be collected will be less than is repaid under the current student loans scheme, are there still concerns about unfairness? The students' evidence gives rise to questions.

Andrew Cubie: It is important to disentangle the threshold at which loans are repaid from the level at which the graduate endowment would be paid. I have made it clear, I hope, that we see our

recommendation on the endowment contribution as robust. Given the £10,000 level, the Executive's current recommendation that there should be additional loan facility to enable the endowment to be paid is a curious way of reflecting a contribution that is—as far as we were concerned and given our guiding principles and general approach—a payment that was to be made by way of recognition that Scottish graduates had benefited and were likely to continue to benefit from their career.

Rowena Arshad (Independent Committee of Inquiry into Student Finance): I am grateful for Margo MacDonald's question about the threshold. The graduate endowment is not a deferred contribution. It is important for the Executive to conceptualise that. It is about tangible benefits. If £10,000 is the minimum figure, it is not dissimilar to having a universal graduate tax, which is something the committee rejected after listening to evidence. There is no way that £10,000 brings tangible benefits. If someone is working full time on the £3.65 minimum wage, they will not earn £10,000, but do we seriously want a system that deters people from going into higher education? I do not think so.

The committee sought a way of disentangling the package and achieving a conceptual shift. The figure of £25,000 came from adding together £17,000, which is the approximate level of average earnings, and £8,000, which is apparently the sort of dividend that people receive for having gone into higher education and getting a degree. We felt that £25,000 was a reasonable figure, although I am presenting our reasoning rather crudely; we did not come up with it in such a shorthand way.

We wanted to ensure that we cared sufficiently in Scotland about having a high-calibre, highly skilled work force. The other important issue is that we have to set a threshold that does not deter people from going into professions that are not highly paid.

George Lyon: If you are desperately concerned about that threshold, why did you not recommend that the loan repayment threshold be raised from £10,000? You must have taken that into consideration when you were taking evidence. If you fundamentally believe that that aspect is a barrier and a disincentive, surely it should have been tackled along with the graduate endowment fund. I would have thought that, in that case, there would have been recommendations to raise the level of the loan repayment threshold.

Dugald Mackie: As odd as it might seem, that issue was not raised with us in the public consultations, particularly with students or their parents. The significant difference is that with the old loans system, based on mortgage-type

repayments, graduates had to start paying the full amount once they had passed the threshold. In comparison—as I am sure the National Union of Students told the committee last week—there is a more gradual process with income-contingent repayments. Although we certainly discussed whether the £10,000 threshold should be raised or stay the same, we decided to leave the issue alone as it had not really been raised with us. However, it could well be the case that the issue should be reconsidered.

Andrew Cubie: The threshold had to be seen in the context of our other recommendations on bursary support. As a result, we were addressing a range of support mechanisms and felt comfortable with leaving the £10,000 threshold.

George Lyon: We received evidence last week that the student's endowment contribution plus the loan would not exceed the loan that students currently repay under the income contingent repayment scheme. I return to the point that if the total amount that the student repays is no greater than they currently repay—and, indeed, for many students, especially low-income parents, the amount will be significantly less—and if you received no evidence from organisations that there are concerns about the £10,000 loan repayment threshold, I am not exactly clear why you are suddenly saying that it undermines some of the principles of the graduate endowment scheme.

Andrew Cubie: I can probably help you in two ways. My first comment centres on the point at which repayment is undertaken. We felt that the proximity of that time to the point of work is a greater deterrent than a subsequent repayment. It is clear from our work in Scotland that debt aversion is a significant factor, particularly among groups that are currently regarded as excluded. As a result, it did not seem logical to try to resolve some of those issues through a debt burden that might be no greater than the present burden but which is seen by many people as a deterrent.

Secondly, when some of my colleagues and I gave evidence at Westminster, it was suggested that we are rather wedded to our package. That was indeed the case; because it was a package, taking bits out might have dislodged the rest of the wall.

George Lyon: I return to the central issue. The same argument should apply to the graduate endowment scheme and to current loan repayments. However, you said that this was not an issue in the evidence that you took. I cannot understand how you can differentiate between the two—loan aversion is loan aversion, whether it applies to a graduate endowment scheme or to loan repayments. If representative bodies were telling you that they were quite happy with the £10,000 limit, you must have taken account of that

evidence. I am just trying to tease out why you are differentiating between the two schemes. As you are tackling one, you should also tackle the other, if it is causing aversion in the minds of students.

Andrew Cubie: I shall add one further point to that—my colleagues may be able to do better. We did not anticipate that a loan structure would be necessary to enable a graduate on an income of £25,000 to pay the graduate endowment. It was expected that, at a later stage in their career and at that income threshold, that sort of payment would be generated out of their income rather than through debt.

14:30

Marian Healy: The recommendations regarding the bursaries—the young student bursary and the wider access bursary—also need to be taken into account. Our recommendations attempt to reduce the requirement to borrow for a high percentage of Scottish youth. In our consultation, those who could afford to borrow were not concerned about their ability to repay. However, those who came to the second stage of consultation and appreciated the fact that we might recommend a graduate endowment were of the view, which supported our view, that those who benefited substantially from their education and reached an earning threshold in excess of £25,000 would be more than happy to make a contribution—not to borrow to make the contribution, but to make it as a consequence of having benefited from their education.

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): Much of the discussion has focused on the impact of the bill on traditional students—the people from those classes in our society who go to university, successfully gain jobs and careers and have comfortable lives. We have been locked into that perspective over the piece. How do you think that the bill will affect the diverse range of people in Scotland who return to education? How will the bill assist those people?

Andrew Cubie: Thank you for raising that point. I hope that our guiding principles have been made clear in our report and in some of what has been said this afternoon. We looked closely at the ways in which those who had been deterred from further and higher education in past years could be encouraged to pursue further and higher education at whatever stage—whether in the progression to tertiary education from secondary education or in more mature years. In the recommendations on bursary support, we offered—in different respects and different categories—a way in which the people to whom you refer could be encouraged. Those recommendations were made against a background of trying to ensure that people do not get into debt.

Within the structure that we put forward, we felt that there was an opportunity to suggest ways in which access to further and higher education could be ensured for the people whom we were requested to consider in our terms of reference. Some of us have talked specifically about the wider access bursary scheme, which we considered would be of benefit to young adults on a low income, people with a disability, lone parents and mature students. We regarded that as a mechanism to address the needs of many of those whom you have in mind. That recommendation has not been implemented, out of considerations of affordability. Nevertheless, it was a central issue for us, which is why I referred to it in my introductory remarks. My colleagues who have a greater practical knowledge may want to comment further.

Dugald Mackie: It is slightly unfortunate that much of the media and public attention on our report has focused on tuition fees and bursaries. One of the key elements of our work was to look at further education as well as higher education. It was an extremely humbling experience to go along to a public meeting and meet someone who had been out of work, had gone into further education, had discovered or rediscovered the joys of education and was doing well, but who had come up against the barriers that existed in trying to move from FE to HE. That had a strong influence on my thinking.

Much of our report is about trying to get rid of barriers, to allow people who go into post-school education through the FE route at whatever age—I am thinking in particular about mature students—and who discover that they have done well to progress to higher education. A lot of what we have proposed in terms of bursaries, the abolition of tuition fees and getting rid of barriers is central to the philosophy of what we were trying to do.

I would much rather that the threshold for repayment was £25,000 and not £10,000, but I am at least grateful to the Executive for recognising that mature students should not have to make a contribution to the graduate endowment. That is a positive step.

Rowena Arshad: The proposed bill goes quite a long way to assist some of the students whom we are talking about. There is no doubt about that. However, there are a couple of important points. The first is that it is right that FE students should receive the child care allowance. The FE sector has traditionally had people from local communities and particular socioeconomic backgrounds, but there is an issue about lone parents going into HE. Whether one is accessing HE within FE, or going from FE to HE, child care allowance for HE should not go off the agenda. We need to consider how to help lone parents and

others with child care issues to access child care. How and where they access education is a secondary matter.

My second point is about wider access bursaries. I chaired the public meeting in Stornoway, where folk talked about travel costs, additional costs, not being able to see their kids, not being able to pay for them to come home, and a host of problems to do with rural issues. That is why the leeway that the wider access bursary provides, where individual institutions have some autonomy in their patch or student body, is important, because the bill cannot capture all experiences of all students. The reason why most people drop out is financial; it is not because they are not achieving academically. That was the clear message that we heard in our travels.

Mr McNeil: Thank you. I was trying to gauge your view on the bill and I got some answers.

Marian Healy: I think that the Executive is close to raising education standards in Scotland. We could be heading into an area where the higher national diploma will be the minimum standard that is achievable by all youths in Scotland. I ask you to look again at tweaking the bursary to ensure that it is publicly funded for all students. The Executive is to be complimented, because the way in which it is putting together the package of support seems to mean that the HND will be the minimum standard of education for all young people in Scotland.

Miss Annabel Goldie (West of Scotland) (Con): The second paragraph of the terms of reference of your committee says:

“To have regard to the desirability of promoting access to further and higher education, particularly for those groups currently under-represented”.

I was interested to hear you say that you are apprehensive that the bill is slightly adrift from the guiding principles that underpin your committee's investigation and recommendations. I am anxious to ascertain whether you anticipate that the worthy objective of promoting access will be frustrated if your principles have been breached to such an extent that we are stuck with the threshold of £10,000. Do you anticipate that those who take the plunge and decide to go into further or higher education may become a bad financial risk? They may not have the wherewithal to repay the money.

You have had the benefit of an investigation during which you took evidence, while we have not been able to replicate that exercise. I am interested to find out your assessment of those two potential consequences of what appears to be a departure from your guiding principles, as I see the situation.

Andrew Cubie: Thank you for that question, which mirrors the kernel of some of our thinking. I

will answer it from a tangent that is different from what we have been developing so far. The Executive has a clear ambition—to raise education standards in Scotland. However, to achieve that ambition, students, whether part time or full time, must be able to commit themselves to the process, because that is what they are seeking to achieve at that particular time.

In our meetings, we took evidence from student bodies, individual students and parents on the hours of work that students in Scotland undertake. That evidence indicated that many students are enormously committed to paid employment, in order to sustain themselves through the cost-of-living element—not the fee element—of being a student. However, other evidence also demonstrated that students' studies and results suffer if they are in paid employment for more than 10 to 15 hours a week.

As a society, we invest heavily in education, but we also set the issues in such a way that we construct an impediment to the process and prevent it from being the most fruitful for the individual at university or college. We do not seem to be creating a logical circle. We are all reasonably mature and understand that some students work because they want additional pocket money, but the vast majority of students work out of need.

In addressing our second point of reference—the desirability of promoting access to groups that are under-represented—we realised that fees deterred some students from education. Members may recall that we thought that the policy of imposing fees was discredited, hence our recommendation. More important, we recognised that, for financially disadvantaged students, we should make the process one from which they would gain more fully than might have been possible under the previous arrangements.

Miss Goldie: The other part of my question was on the practical consequences of getting repayments from graduates who earn £10,000 a year. You have taken evidence on that, Professor Cubie. I am uncertain about the practical likelihood of such payments being possible.

Andrew Cubie: I am grateful to you for ennobling me, but I am a Mr.

Miss Goldie: We had a debate about that and thought that we would give you the benefit of the doubt.

Andrew Cubie: That was kind of you. I hope that your decision was based on my succinct answers.

We judged the issue to be one of practicality. If a graduate who has the level of income that Rowena Arshad described so graphically seeks both to

repay a loan and to make an endowment payment, one would not need to look too closely at that individual's budget to realise that, against the other costs of living that a graduate is likely to bear, a threshold of £10,000 is likely to be a difficulty.

I defer to my colleagues on whether within the supplement to our report we have evidence on that point towards which we might be able to direct you. There may have been specific indications of that difficulty.

Marian Healy: Some young graduates who were employed in the secretariat that supported our work told us that they could not afford to buy a house or to consider getting married or having a family because of the repayment that they were required to make as a consequence of having an education.

Mr McNeil: Would the new bill improve the situation? Would it deter people from entering higher education, or would it encourage them? Is it a better settlement than the one that exists in England?

Dugald Mackie: There is no doubt that the bill is a distinct improvement on the 1998 settlement. Grants were abolished, in effect, in 1997, and students were required to make a contribution towards their tuition fees, although that was means-tested. I am pleased that the Scottish Executive has accepted most of our recommendations. Students from less well-off families and mature students will now have access to bursaries—which are grants by any other name—and, selectively, to mature student bursaries.

14:45

Marian Healy: If I were still young enough to be thinking about going into higher education, I might wait until I was 25, because then I would be exempt from payments. I could do a HND until I was 20, take time out to test the water and to think about a career, and then enter higher education at 25. That would be the sensible thing to do, because it would not cost me anything.

Marilyn Livingstone (Kirkcaldy) (Lab): Duncan McNeil has raised most of the issues that I wanted to highlight. I am interested in widening access, particularly to further education. My background is in further and higher education, so I know about the problems that people experience, especially mature students. I am particularly interested in the mature students bursary. How do you see that being administered?

Dugald Mackie: I am cribbing hastily from what we said in our report. There was considerable discussion of this issue, and we recommended

that bursaries should be administered by the institutions. Some institutions that we visited, particularly further education colleges, thought that local administration was beneficial. Other institutions might not be quite so sanguine about that. We felt that local institutions would be sensitive to local needs. My institution, for example, has not insignificant bursary funds of its own. The committee thought that those funds could be added to the funds provided through mature student bursaries and administered locally. In that way, students would get access to funds much more quickly.

Rowena Arshad: We also recommended that the Scottish Executive should bring together the partners who would administer the funds to draw out baseline standards. We do not want a free-for-all or a series of ad hoc arrangements. There needs to be some guidance.

Andrew Cubie: We are all catching our breath as regards this issue. Based on the experience of the FE sector, we came to the conclusion that local administration was helpful. Without exception, those who gave evidence to us on the issue were strongly in favour of local administration. However, as Rowena Arshad said, we felt that there was a need for protocols to iron out some of the anomalies. We saw local engagement as an important way of ensuring that institutions match what they provide with the needs of local people.

Marilyn Livingstone: That is how I saw the bursaries being administered. However, last week we took evidence from representatives of the NUS, who said that they would like bursaries for mature students to be administered centrally. I wondered whether you had taken any evidence in support of the central administration of bursaries, but obviously you have not.

Andrew Cubie: As I said, although we were gratified that the NUS supported our recommendations, we disagreed about some matters. We saw a good example in FE, which we thought could be transferred to HE.

Dugald Mackie: I re-emphasise what Rowena Arshad said. We envisaged that either a framework or some basic guidelines would be set out centrally. I understand the NUS's concern, as much of the difficulty has been that there have been wide variations in practice from college to college.

George Lyon: Last week, we heard evidence from the NUS that, as a result of the scrapping of tuition fees and the prospect of the reintroduction of grants in Scotland, student applications were up this year in Scotland compared with those in the rest of the United Kingdom. The NUS witnesses were concerned that the much better student

support package in Scotland would act as a disincentive for students from Scotland to go to higher and further education in other parts of the UK. Do you share that perception?

Andrew Cubie: Our recommendations were made on the basis that Scotland-domiciled students, whether they were studying in Scotland or elsewhere in the United Kingdom, would be under the same arrangements. I acknowledge readily that the law officers advised ministers that what we had recommended ran foul of EU law. We believed strongly that it was important that students should be able to follow the courses in the United Kingdom that were best for them, whether those courses were offered in Scotland or elsewhere. The linked benefit of students studying outside Scotland is that they have opportunities to sit beside people from different backgrounds and with different experiences. To the extent that the proposals may give rise to a difference—I cannot comment on the statistics—they are disappointing.

We should address the EU issue. While we were undertaking our work, the Quigley committee was examining the fourth-year anomaly, which has now been resolved, and was entangled in other issues relating to the EU. My view—this goes beyond the recommendations of our report, as we did not consider the matter—is that the question of student fees is significant within the EU generally.

Under the devolved arrangements in Scotland, we are seeking to create the most beneficial structure for student finance in Scotland, and there is a similar move to have a different structure in Northern Ireland—we await the outcome there. It is unfortunate that those arrangements cannot proceed because of EU provisions. I have not examined the detail of the EU provisions—as I am a lawyer, you might have expected me to do so—but I believe strongly that if the issue cannot be resolved because of the application of EU law, that EU law should be examined so that the Scottish position can be bettered.

George Lyon: Do you believe that the Executive's package of measures, including the scrapping of tuition fees, the abolition of the fourth-year anomaly, and the reintroduction of grants, will go a long way towards achieving the Executive's goals of widening access and encouraging more people into further and higher education?

Andrew Cubie: As my colleagues said, and as I think I said at the beginning, we are satisfied that many of the Executive's responses, including those that you mentioned, are an improvement—in some cases, a substantial improvement—on the pre-1998 position. As I acknowledged, the committee of inquiry was able to have tunnel vision on cost and did not have to balance other considerations, as the Executive had to do, but there is no doubt that the Executive's proposals

are an improvement. However, we believe that the proposals could have gone further towards meeting the principles to which I have referred once or twice.

Miss Goldie: I was intrigued by Marian Healy's point that there might be an incentive in the Executive's proposals that would induce students to defer their education until they were 25 so that they could benefit from the more generous provisions that would be applicable at that time. Surely that could create a problem for the employment market. If someone has done something with their life until the age of 25—in the case of a woman, that might have been to marry and have children—the return to education at that age might be unlikely, although the financial provision might be slightly more attractive.

Marian Healy: I did not imagine that vast droves of students would take that route, but I think that some will choose to do so. The HND is a recognised qualification for employment purposes in Scotland and is valued by employers. Some people might choose to get an HND and test the employment prospects or choose a career path before returning to higher education three or four years down the road with a view to broadening their career opportunities.

Rowena Arshad: I have been sitting here thinking about George Lyon's questions over the course of the afternoon and trying to grapple with what he was getting at. I suppose that, as Andrew Cubie said, the issue comes down to the impact on someone from a low-income family. If the threshold for the graduate endowment was higher than £10,000, the chances are that a student from a low-income family would not need to take out much of a loan to pay the endowment contribution because of the other benefits and grants that they would receive, and they would be encouraged to go into further and higher education. If the graduate endowment threshold stays at £10,000 and must be paid, the impact on someone from a low-income family—perhaps they are the first graduate in that family—will be different to the impact on someone who comes from a fairly middle-class, well-to-do family and who can make a £5,000 down-payment on their first house. Under that system, we are not levelling the playing field for the person from the poorer income group.

That would be my answer. We are asking you to level the playing field at the end of study, not just at the point of entry.

Elaine Thomson (Aberdeen North) (Lab): Was consideration given to the impact of the bill's support for distance learning on widening access to further and higher education? Scotland's geography makes it quite hard for people to come from certain areas. What did the committee think about how people might be assisted, particularly

given the change in employment patterns and the ways in which further and higher education have been developing and using technology?

Andrew Cubie: Those issues were put to us strongly by the rural community. You heard from Rowena Arshad about her experiences in Stornoway. A concern was raised that, if there were no change, there would be an increasing tendency for students to stay at home. Students and more mature graduates suggested to us that the student experience would be diminished if that happened.

Clearly, the distance learning opportunities are areas that allow a different application of the teaching process. The bill's recommendations recognised that the methods of teaching were not within our purview but that there should be ways in which, whatever the means of tuition and learning, people's engagement in that should be facilitated. The package that we put together accommodated that desire and dealt with matters arising from rural issues.

One issue that was put to us quite strongly in some of our meetings in areas such as the Borders and the south-west was that, while we were fretting about the hours of work that students were undertaking to sustain themselves, because of living costs, many people in the more distant communities had no option because no jobs were available. There was a disincentive for people—even stay-at-home people—to fund themselves through that process.

15:00

Ms MacDonald: I apologise for unpicking the discussion back to the point that Rowena Arshad left us at.

From your remarks and summary response to George Lyon's questions, I took it that the whole psychology behind trying to persuade more people to enter further and higher education had been undermined by the fact that people from a lower-income background—first-generation graduates—would regard having to make a payment at the £10,000 income threshold as a punitive measure or a burden. By contrast, if the same graduates had to contribute only when they had made it to the income threshold of £25,000, they would regard it as a contribution. If that psychological element is lost, the whole ball-game is lost.

Rowena Arshad: Yes. Thank you. That is a good point.

Mr McNeil: Now I am confused. Your evidence suggested that the endowment scheme would widen access for that group of students, yet you are all nodding in response to Margo MacDonald's suggestion that it would not really widen access.

Andrew Cubie: In Scotland, we are substantially ahead of England in participation in further and higher education. Of the 18 to 22-year-old cohort, 47 per cent in Scotland participate, whereas the figure in England is around 36 per cent. In the 1960s, when I was at university, the figure was 5 per cent. The rise from 5 per cent to 47 per cent has come about predominantly through the involvement in further and higher education of a specific social group. We were nodding in agreement that we must determine the best ways in which further participation can come from those who have not had the benefit of being part of the 5 to 47 per cent.

Mr McNeil: You nodded in agreement with Margo MacDonald's comments and comments about the perception that working-class people are frightened of debt. However, working-class people live with debt and take on debt to buy, for example, a second-hand vehicle. You are nodding as if to say that you know what frightens working-class people, and I am astounded by that.

Dugald Mackie: Despite the fact that people from the groups that we were trying to reach were exempt from the payment of tuition fees, we found, when we spoke to people and took evidence, that they felt discredited. Access to funding had become a political issue for them, as it is a political issue for some committee members. Clearly, the fact that grants had been abolished was the big issue, and access not even to a full grant, but to some amount, was the critical factor in people's decision about whether to take the plunge into full-time further or higher education. Lack of access to grants was one factor that acted as a disincentive.

From my experience at university, I know that students do not always think about the future and end costs, but about the costs while they are studying. We had not contemplated £10,000 as a repayment threshold for the graduate endowment, and that figure might act as a disincentive to people who are considering entering education. If that repayment threshold is established—although I like to think that it will be raised—the jury will still be out on the consequences. That is the danger of setting the threshold at £10,000 instead of the higher figure.

The Convener: In the course of your research, did you undertake any sensitivity analysis to find out what the differences would be between thresholds of £10,000, £19,000 or £25,000?

Dugald Mackie: No.

The Convener: So you cannot give us any statistical evidence on the impact of the different thresholds.

Dugald Mackie: Quite simply, we did not have time to do that. I agree that it would have been good to have undertaken such analysis.

Mr McNeil: You would also agree that, during the whole period, everyone was receiving the strong message that education was too expensive. Despite the fact that we have moved on, has the continuing debate about student finance damaged the psychology that Margo MacDonald mentioned?

Dugald Mackie: Yes.

Marian Healy: Some of the research in the report is illuminating. For example, a stark table on page 376 of volume 2 of the research report shows the HE participation rates, by social class, of young people under 21 entering higher education. In group A, which includes social classes I and II—or people from professional and managerial backgrounds—62 per cent enter higher education from 39 per cent of households. In group B, which includes social classes IV and V—or people from semi-skilled or unskilled backgrounds—9 per cent enter higher education from 19 per cent of households. Those figures give us pause for thought.

Elaine Thomson: Last week, we were told that the £10,000 repayment threshold has not been reviewed since 1998 and is being reviewed currently. Furthermore, as it will be 2004 before students start paying into the graduate endowment scheme, the repayment threshold will be at 2004 levels.

As George Lyon mentioned, student numbers appear to have gone up already as a result of changes such as increased student support. As a result, some of the current fears might have been considerably allayed by 2004, when we will know more precisely how the graduate endowment scheme will work for students.

Andrew Cubie: That view reflects our earlier comments. Although the Executive's proposals represent an improvement on the 1998 position, our proposals would also have advanced the matter.

At this stage, it might be helpful if we raise some specific points on this matter beyond the one that Marian Healy highlighted. Our research found that many students were juggling debt incredibly so that they could participate in further and higher education. Although the process should perhaps not contribute to the development of such skills, they still exist, and I accept the committee's earlier point on that matter. We believe intensely that our recommendations would have assisted with the problem that is highlighted by the stark figures that Marian Healy just mentioned. Until the current participation figures are unravelled to determine the social class structure, it will be unclear whether the present position is a betterment.

The Convener: So do you believe that if the threshold were £25,000 instead of £10,000, the

participation level would be even higher than 47 per cent because there would be more participation from students from the lower income groups?

Andrew Cubie: We suggested such a structure to achieve that result.

George Lyon: I am still not clear about your committee's position on the repayment threshold. You said that the issue of the £10,000 threshold was not raised with your committee. Is that right or wrong?

You are now saying that the £10,000 repayment threshold is an issue as regards the graduate endowment scheme, but not the loans repayment scheme. I do not think that a student will separate out the two issues. Surely if the £10,000 threshold was an issue for the loans scheme or the graduate endowment scheme, your report should have stated categorically that the committee wanted the graduate endowment contribution to kick in when a graduate's income reached £25,000 and that you wanted something to be done about loans as well. From what you have said, the £10,000 repayment threshold appears to be a disincentive for students coming into the system. Am I picking you up wrongly?

Dugald Mackie: I imagine that one of the main reasons why the issue was not raised with us was that the threshold was changed to £10,000 only in 1998.

George Lyon: And it is impacting only now.

Dugald Mackie: I do not think that it has started to impact, although it might become an issue when it does so. I suspect that that is why the issue was not raised at the time. It was not as if we did not ask the question.

George Lyon: Do you think that it is an issue now?

Dugald Mackie: Yes, it could well become an issue.

George Lyon: If it will become an issue, why was that not mentioned in the report?

Andrew Cubie: I want to be very clear about this. It has been said that the issue was not raised with us. We received more than 700 submissions and listened to thousands of people around Scotland. Without checking the records—if indeed we have access to them—it would be wrong for us to say categorically that the issue was not raised with us. However, the matter was certainly not as predominant as some other matters that we have touched on.

Rowena Arshad: There are two other points to consider. First, the issue of loan aversion was certainly raised with us. We did not presume to know the psychology of people from lower-income

groups or working-class people; the point was made to the committee at every public hearing. Furthermore, I lecture to social work and community education students and my heart bleeds to see some of them leaving lectures to go to work. Some of them work quite horrendous hours.

Secondly, Andrew Cubie and other colleagues have mentioned the important issue of fairness. Any student finance system should be fair. In response to George Lyon's points, I should say that the system will have a different impact on different socioeconomic groups, and we must ensure that that impact builds in an element of fairness, instead of taking it away.

Ms MacDonald: My experience tends to make me support the thesis that has been put forward by the witnesses, but in the interests of fairness I should point out that, on many occasions, it was stated quite categorically by people from whom the Cubie committee took evidence that the lower threshold was a disincentive. What evidence do you have to link an increasing number of people from a low-income background—whether they stay at home, are single parents or whatever—with your contention that there will be a disincentive for them to participate in higher education if the threshold is kept at £10,000 instead of raised to the £25,000 level that your report recommends?

Dugald Mackie: It is unfortunate that we have joined together the issue of student support—or loans and bursaries—and the issue of how to cover the cost of tuition. Although that is very easy to do, we were trying to separate the issues as much as we could in order to concentrate on the student support system—with its lack of bursaries—and methods of repaying loans on the one hand and, on the other, the issue of tuition fees as a disincentive. We were working from the principle that people who benefited from the system should make a contribution. We are bringing the two issues back together. It is rather difficult to disentangle them as we go along, but we discussed that separation.

15:15

Ms MacDonald: My Labour colleagues are concerned that you may be drawing a conclusion precipitately or without hard evidence to back it up. People from the sort of background that I came from—maximum grant students—have no incentive to go into higher and further education now, because there is such a payback at the end of it. Whether we like it or not, if the whole object is to encourage more people to go into higher and further education, and if that is how individuals are approaching the matter, you must address that point.

Rowena Arshad: We accept that there may not be clear-cut evidence about whether raising the threshold would correlate immediately with an increase in participation. It is only fair to admit that we do not know that at this stage. However, I can envisage myself as a parent saying to my child, "Don't bother going into teaching, social work or nursing, because they are lower-paid professions. Try to go for the higher-paid ones."

Ms MacDonald: Be an accountant, my child.

Rowena Arshad: Yes. I would say, "If you want to benefit, go for the higher-paid professions." People might say that I am foolish to say that, because that is the sort of thing that parents already say anyway. However, I do not think that we can penalise the people who, for the love of their vocation or for some other reason, will decide to choose career pathways that will always be at the lower end of the payment scale. The £25,000 figure is about saying, "Whatever you choose to do, we value that as a nation."

Marilyn Livingstone: One of my main concerns, as I said earlier, is widening access. That is something that we must consider seriously. I am interested in the people coming from socioeconomic backgrounds III and IV, who account for 9 per cent of students. When full grants were available, however, the picture was no better, and we must recognise that. We must consider the situation in the round and look at the really big picture, rather than focusing in on just one issue. We must consider how we can maximise the fair playing field and reduce barriers to further and higher education.

I do not want to minimise the scope of our debate by focusing on a narrow issue, because the issue is huge. When people had full grants and people in my age group were going to university and college, there were still very low numbers of people from those economic backgrounds going into further or higher education. There are barriers. People from my background, which is the same as Margo MacDonald's, perceive barriers to going into further or higher education. That is what the bill must address and I do not want the committee to lose sight of that.

Ms MacDonald: Marilyn Livingstone and I approach the matter from the same point of view. However, I do not want the committee to forget that the Cubie committee set out a cohesive set of principles that have been seriously undermined by taking out of the wall the most important brick—the £25,000 threshold. Whether the threshold is £25,000, £22,000 or £27,000 I frankly do not care, but I know that it should not be £10,000.

Marian Healy: In taking evidence, we heard lots of comments about the need to raise aspirations way back at the beginning of school education to

prevent streaming from happening. All educational departments need to work together to ensure that social disadvantage and the inequalities that exist in Scottish society can be eradicated. One way of doing that is to raise children's aspirations to enter higher education, so that they are poised to take the opportunities that exist to access careers that will pay them in excess of £25,000.

Andrew Cubie: I was going to make a broadly similar point. We were considering financial issues and had no scope to look beyond that. However, the aspirations of individual students and their families are fundamental. The foundations of those aspirations may be laid in primary and secondary education, rather than at the stage of higher or further education. We had to consider how quality and standards in Scottish further and higher education could be maintained and developed. I approached that question from a business background and other colleagues did so in the light of their own experiences.

We all know that, in this age of the knowledge economy, knowledge requires learning and development of skill. That is true across the board in society. We did not see the situation in the political context that brought about the committee's establishment; we saw it in terms of the development of individual talent and, ultimately, of the Scottish economy.

Miss Goldie: I have been guilty of a sin of omission, convener, as I should have declared an interest as a member of the court of the University of Strathclyde in Glasgow.

I have been looking at the booklet entitled "Student Finance: Fairness for the Future", which summarises the committee's findings and recommendations. I have a question about nomenclature, specifically about your recommendation on the Scottish graduate endowment. I must confess that, when I read the bill and looked for further clarification in your summary of proposals, I was unclear about how we got the concept of endowment. Who did you envisage as endowing whom?

Andrew Cubie: The Dearing report contained a clear reference to a deferred contribution. We recognised that; we believed that our work would require us to disentangle the contribution, with a payment of a fee on a deferred basis and a payment of a contribution by a successful graduate to a scheme that would benefit other people. By the time that payment was made, it would be other students who would benefit from it.

We also proposed an endowment foundation. We thought that, in the Scottish context, that would have the benefit of continuity. Individual institutions already have their own alumni funds. The committee believed—although this belief was

not led by evidence—that such an arrangement would allow the creation of a fund. It would be like a latter-day Carnegie fund, but one that received contributions from a wide range of sources. I note with interest that the Northern Ireland report makes a recommendation for a Northern Ireland student endowment fund, established as a charitable trust, which would draw funding from international, EU and other sources. The word “endowment” has, as we all know, a long and strong Scottish background. We saw such an endowment as being for the benefit of others.

Miss Goldie: I understand that as far as it relates to the charitable proposal for the construction of an endowment fund. However, I was slightly curious about the use of the word “endowment” to describe a system that, to put it crudely, looks to many people like just another form of taxation. I understand, Mr Cubie, that you anticipated that successful graduates who have benefited from higher or further education and are in a better earnings position would contribute to what had been the cost of that provision, so that that contribution could help their successors. Did you ever anticipate that the fund—and we are now beginning to see how endowment comes into the picture—would be annexed to the Scottish Executive budget?

Andrew Cubie: No.

Miss Goldie: So it was not to be annexed; it was simply to be an on-going series of contributions to the Scottish Executive budget to be allocated to higher and further education funding as the Executive saw fit. Is that right?

Andrew Cubie: We saw that it would be a fund that would stand apart and that would be of benefit, as I have described. That is why, in earlier conversations about the difference between a loan and an endowment, we have drawn such a clear distinction.

Miss Goldie: Is it important to you that, within the Scottish graduate endowment, there should be an identifiable fund to help others?

Andrew Cubie: Yes.

Rowena Arshad: Yes—specifically for further and higher education.

Miss Goldie: Do you see that in the bill?

Andrew Cubie: Not specifically.

The Convener: We must be fair: the Executive realised that that was a major flaw in the initial draft, which is one of the reasons why the bill is being redrafted.

Andrew Cubie: Yes.

Miss Goldie: I just wanted to clarify the position.

Andrew Cubie: Had the bill not been withdrawn, we would have raised the issues that Miss Goldie has raised.

The Convener: Would the witnesses like to make some concluding remarks?

Andrew Cubie: Convener, you and your colleagues have managed to winkle out all the important points, but I will add one or two remarks.

The Executive’s proposals in the revised bill will undoubtedly be better than the 1998 position. However, with a little more resolve, the points that we have highlighted in relation to threshold payments can be bettered. Our task has been to exercise our judgment, and our judgment is that, if our suite of proposals—especially for a higher threshold for payment—had been accepted, the result for those who are not now participating fully would have been more advantageous.

I return to a word that I mentioned earlier—*aspirational*. We felt that Scotland—which has a history of strong commitment to further and higher education—had an opportunity to show a real way forward in the United Kingdom.

The Convener: On behalf of the whole committee, I would like to thank you very much for what has been exceptionally helpful evidence. Can we subpoena you to provide the Northern Ireland report and circulate it for information to members? That would be extremely helpful.

Andrew Cubie: Yes, of course. I am sure that I am speaking on behalf of my colleagues when I say that, although I have no idea whether we have passed our oral exam, it has, like all good oral exams, been quite enjoyable.

The Convener: I think that we will give you 10 out of 10.

Miss Goldie: You may even get a chair.

George Lyon: Before we hear the next witnesses, I have a proposal for the committee. Last week we heard from Mandy Telford of the National Union of Students that the Student Awards Agency for Scotland operates 93 different loan schemes, which trigger repayments at various thresholds. Given the evidence that we have just heard, and given our previous discussions on thresholds, if we want to come to a sensible conclusion, we will need to clarify how the SAAS works and to get details of all the different schemes and their thresholds. We are operating in a vacuum. Without that information, we cannot do justice to the bill. A strong body of opinion wants the threshold on the endowment element to be raised; we therefore need to consider mechanisms. I know, convener, that you asked a question on that in the Parliament. The committee should get a full briefing on how the current student loan system works and on the various

repayment methods, so that we have some background information.

The Convener: Are you suggesting that we get a written submission and possibly oral evidence from the Student Loans Company?

George Lyon: Yes. All we have heard is anecdotal evidence that things cannot be done—but things clearly are being done. We need more information.

The Convener: I agree.

Ms MacDonald: Yes, that is a sensible suggestion.

Members indicated agreement.

George Lyon: If I have the support of the committee, convener, will you organise it so that we can get that evidence?

The Convener: Yes.

George Lyon: Thank you, m'lud.

The Convener: I am glad about the unanimity that the committee is displaying.

Our next witnesses come from the Scottish Trades Union Congress. Anne Middleton is the deputy secretary of Unison. She is supported by Dr Tony Axon, who is a research officer for the Association of University Teachers in Scotland, and Howard Wollman of the Educational Institute of Scotland. I apologise for the fact that Mr Wollman's name was misspelled in material given to committee members.

15:30

Anne Middleton (Scottish Trades Union Congress): Before I start, may I apologise on behalf of Grahame Smith, the deputy general secretary of the STUC. He would have joined us this afternoon, but unfortunately he is ill. His absence is in no way a sign of disrespect.

The STUC welcomes this opportunity to present evidence to the Enterprise and Lifelong Learning Committee. Many members—I hope all of you—will know that the STUC represents 650,000 Scottish workers and their families. We have an interest in the system of student finance and, more generally, in further and higher education. That is not only because the STUC represents people who work in further and higher education, but because we represent workers who, with their families, contribute to and benefit from further and higher education, both directly and indirectly.

Over a number of years, the STUC has demonstrated its commitment to Scottish education. We recognise that a high-quality education system is crucial to the well-being of any society. It liberates its citizens, enriches its

culture and strengthens its economy.

The STUC has submitted written evidence on its policy on financial support for students. We do not intend to repeat today the contents of that submission, but we would like to draw a few key points to the attention of committee members. The STUC urged the Cubie committee to recommend the complete and immediate abolition of student tuition fees for students who were normally resident in Scotland. We also urged that the system of student loans be replaced by a system of maintenance grants. We are all aware that that did not happen. However, although the recommendations of the Cubie committee did not meet all our aspirations, we recognise and value the great deal of in-depth research that the committee undertook. Our general council agreed to support the Cubie committee's recommendations and to call on the Scottish Executive to implement them in full. We have had the privilege of hearing the evidence that members of this committee have just heard from the Cubie committee. I hope that some of the points that have been made will be reflected in future Executive decisions.

The general council greatly appreciates the fact that the Scottish Executive has abolished the undergraduate contribution to tuition fees for Scottish students studying in Scotland. We want to bring to members' attention an issue that was addressed earlier this afternoon—the £10,000 income threshold for graduates to pay into the graduate endowment scheme. Having heard the earlier discussion, we would link the issues of student loans and the graduate endowment scheme. We feel that the £10,000 threshold is too low.

We have considered average earnings for September 2000. For non-manual workers, the figure is £24,000. Therefore, the Scottish Executive's use of the figure £10,000 does not reflect the market. We feel that the threshold that the Cubie committee recommended meets the right criteria.

We feel strongly that there should be no discrimination between full-time and part-time students. Everything that applies to full-time students should apply, pro rata, to part-time students. We feel that that would encourage participation in the higher and further education system.

The next issue that we would like to raise with the committee is that of student poverty. There has been much discussion of the income that is available to students from a variety of sources. We would like to bring to the committee's attention a report that was produced in 1997 for a seminar for the Low Pay Commission, hosted by the STUC. The report's authors were Dr Smith from Glasgow

Caledonian University and Phil Taylor from the University of Stirling, who addressed the issue of students in part-time work. This was the time at which tuition fees were being introduced and grants were being abolished. Dr Smith and Phil Taylor contended that there was

“a major restructuring of the labour market, with the emergence of a pattern of student part-time employment that may in time, as student numbers increase . . . and as debts mount, have an impact on the labour market second only to the entry of millions of women into the post war economy.”

That conclusion was based on a survey that they undertook of third-year full-time students in one university and a variety of other surveys of student participation in the labour market due to lack of income.

The report's authors also found that the majority of students worked, on average, 15 hours a week and that most of them were in low-paid jobs. They felt that because students were allocated the worst jobs with the lowest pay, they were often pressured by employers into working extra hours and shifts, when their heavy academic work loads made that extremely difficult. Employers were routinely using cheap student labour as an alternative to creating a working environment that assisted them to recruit, retain and develop qualified employees.

We have recommended that the Scottish Executive should take the lead in bringing together representatives of the institutions, employers organisations and trade unions to examine best employment practice and to consider the introduction of a set of principles for employment of students. We are not saying that Cubie's recommendation that students should work for no more than 10 hours a week is the ideal, but it is worthy of further consideration by the Enterprise and Lifelong Learning Committee and by the Scottish Executive. We need to deal with the issue of the increasing number of students taking on employment in order to sustain themselves through their further and higher education courses.

We welcome the fact that issues relating to the benefits system are being addressed. Discussion of those issues should form part of a wider dialogue, involving the trade unions, about what level of income would allow people the widest possible access to higher education and reduce the drop-out rates that we have experienced over the past few years. My colleagues will be able to go into more detail on that issue. If the committee wishes, they can provide examples of students having to leave lectures for paid employment to sustain themselves.

I have outlined what we see as the key issues, apart from those already highlighted in our written evidence to the committee. We are more than

happy to answer any questions that members have.

The Convener: Thank you. That was an extremely helpful introduction. A number of the issues that you raise do not relate specifically to the bill, which is the subject of this meeting, although they relate to the more general question of student poverty and finance. Issues such as benefits are outwith the scope of the bill; indeed, they are outwith the competence of this Parliament. Inevitably, most of our questions will relate to the bill. However, I am sure that all members are aware of the important wider issues that you raise.

It is clear from the previous evidence that there is a debate about whether the difference between the threshold that was proposed by Cubie and that proposed by the Scottish Executive will have an impact on participation rates in higher and further education in Scotland. Does the STUC have an opinion on that issue and has it undertaken any research into it?

Anne Middleton: We have an opinion, through our affiliates. However, we have not undertaken research concerned specifically with the threshold. My colleagues may want to add something to that from their perspective.

Dr Tony Axon (Scottish Trades Union Congress): The Association of University Teachers has not undertaken any research specifically into this issue. It may be for the NUS, rather than for our members, to do that. However, we are worried about student poverty and our members report problems of attendance at lectures and tutorials.

Howard Wollman (Scottish Trades Union Congress): There are a number of linked issues. This is not simply about the impact of student debt on participation; it is about student success and student choices. As a lecturer, I know that students change decisions about options when they see the timetable for the year. They are doing not the course that they want to do, but the course that fits in around the work that they have to do. There are ways in which choice is constrained.

There is evidence that the more students have to take paid work, the more they are at risk of non-progression—dropping out. The study that Anne Middleton mentioned and the research done at Napier University, where I work, indicates an enormous increase in student employment. Nearly 50 per cent of students are doing work in excess of the 10 hours that is recommended in the Cubie report. That is related to the level of debt that has grown up under what was described earlier as the 1998 system. If we want to improve the progression rates of students who are already in the system, we must reduce the level of student

debt. This is not just about progression rates; it is about the things that affect and constrain students who are currently in the system.

The Convener: Are you saying that there is an issue of undergraduate poverty, and that one of the potential results of the £10,000 threshold is that undergraduate poverty would become graduate poverty, as former students started to pay back the endowment? Are you saying that the poverty continues?

Howard Wollman: Earlier, the point was made that there is no increase in the debt burden. I am saying that the current debt burden involves students having to work excessive hours, and that that affects performance and progression in the present system.

Dr Axon: The Association of University Teachers is particularly worried about getting postgraduates into the system. Most people who come to work in universities, as lecturers and researchers, have a postgraduate qualification. We are concerned that graduate poverty will have an impact on how many people decide to go on to do postgraduate courses. The latest statistics from the Scottish Executive indicate only a small decline in the number of first degree qualifications in 1998-99, but a decline of 1,000 postgraduate students from the previous year. That is worrying if our aim is to get new blood into the system.

Ms MacDonald: I would like to explore further what Howard Wollman was saying about the choices that undergraduates make. You are saying that, once students have completed their first year of study and have worked out how much work they have to do to support themselves, they rearrange their classes. Do they have to do that in collaboration with tutors or lecturers? Do they change or curtail their courses, or do they aim for a lower degree ranking? How does the effect show up?

Howard Wollman: The main effect is that students ask their tutors to change the time of their classes because they must work. That may not matter. However, if the degree programme offers options, students may have to take different options from those that they had planned or wished to take, because the lectures may not fit in with the patterns of work that they must undertake to make ends meet.

Ms MacDonald: Has any research into that been conducted, or is the phenomenon too recent? Is there anything to indicate that the quality of the qualification obtained is directly linked to the degree of student poverty or the choices that a student makes because they feel that they must earn some money?

15:45

Howard Wollman: The only evidence of which I am aware, although Tony Axon may know of other evidence, is that a high number of hours in paid employment is a risk factor in non-progression—a student dropping out.

Ms MacDonald: Does the research to which you refer show whether the drop-out rate is greater among students who have come from a less affluent background?

Howard Wollman: I am not sure of that. However, I think that it is likely that students from a less affluent background would have to take more paid employment, so the link is through that means.

Ms MacDonald: I just wondered whether there was some evidence that you could show me.

Dr Axon: There is no direct research or evidence on that. However, the league tables often show that the universities that are best at taking people from the lower social classes have the worst drop-out rates.

Ms MacDonald: Is that true in Scotland, too?

Dr Axon: That is very true in Scotland.

Anne Middleton: The Cubie committee's presentation covered the level of earnings in some professions. People who had pitched their original degree at a lower level could be penalised because of the profession that they wanted to pursue, which may give them a starting salary far below £25,000. I hate to use the phrase, but a class system in respect of remuneration still exists. In some professions, graduates can have £25,000 staring them in the face from day one after they finish their degrees. Often, the guidance and the educational qualifications from some institutions allow easy access to degrees that result in a higher income. There could be a double whammy of penalising those who come from the lower income bracket by making them pay far earlier.

Mr McNeil: Although the debate always gets down to the traditional idea of students, I will go along with it. The STUC could have played a role in implementing the Cubie recommendation for a code of conduct on the employment of students. As a trade union official, I argued with agencies and others on behalf of students, because even when the students had done the work, they had difficulty getting paid and paid on time. There were difficulties throughout the process. Given the extent of its membership and its network of major companies, what has the STUC done to push that issue and to develop a serious code of conduct with good employers, which would expose the worst employers?

Anne Middleton: We work with bodies at a

variety of levels, including the Scottish Executive and the Scottish Parliament. When we meet the Confederation of British Industry or a Government agency, there is no occasion on which we do not say that we need some regulation—voluntary or otherwise—of employment, particularly student employment. The minimum wage is welcome, but it maintains a differential for our young workers, and employers organisations play on that fact. Through the CBI, the STUC has tried to encourage participation in a joint venture that would examine employment issues, particularly as they apply to the Scottish economy. However, we have had no success in encouraging those stakeholders to sit down with us and say, “Yes, we think that that is a worthwhile exercise.” That is why we recommended that, if there were a role for the Enterprise and Lifelong Learning Committee or the Scottish Executive in promoting regulation, we would be willing to produce appropriate research and find people who could contribute to such work.

Mr McNeil: So no major employer in Scotland has signed up to a code of conduct.

Anne Middleton: Not for student employment. The STUC has not been involved in any such code and I am pretty confident that no such code exists.

Miss Goldie: I was interested in what Anne Middleton said—if I understood it correctly—about a possible distortion in the job market. That may occur if students are deterred from applying for some graduate courses for which the predicted remuneration is lower and more students take courses for which the predicted remuneration is much higher. Given that the founding premise of the Cubie committee was to promote and widen access, do you consider that distortion to be a serious difficulty?

Anne Middleton: There is an issue with the threshold of £10,000, at which people must start to make repayments. It applies, for example, to those who complete a degree in librarianship, after which the salary award is only about £14,500. On entry to some other professions, the award is far higher. Rowena Arshad touched on social work, where the starting salary after the professional degree is far lower, yet we want to encourage people to become care workers. That is one of the planks of the Government’s policy.

As we are trying to widen access and encourage people to take appropriate qualifications for degree courses, the institutions have set down strict criteria for access to professional degree courses. The requirements for medicine and law are higher than that for social work; people gauge the course they can aim for on the basis of their educational qualifications. They ask themselves what they are qualified for before they ask what they aspire to. As Rowena Arshad said, they also

consider the salary levels that are available after the course, because we all want to have the most and the best. However, people must do what they are fit to do. It is no use entering a profession that you are educationally fit for but do not enjoy. When people consider access to education, they consider what is available to them first, as well as what they aspire to and the end result. When you consider salary, you should consider the average entry point to the employment market for people with qualifications from higher and further education institutions.

Miss Goldie: That is helpful. There could be a distortion because people might train not for what society needs or what they want to do, but to earn enough money to pay their obligations?

Anne Middleton: Yes. The debate is wide and covers what higher and further education deliver, the calibre or otherwise of our institutions and how they link into the wider requirements of our economy, which is changing all the time.

Miss Goldie: I have a tangential follow-up question. Dr Axon mentioned the possible effect on the availability of postgraduates for research at our educational institutions. Have we any statistical data to support that point? Has the STUC liaised with any of our institutions?

Dr Axon: Much of the evidence is anecdotal. Universities are finding it more and more difficult to recruit postgraduate students. There are many reasons for that. Postgraduate work takes an extra three years out of the working career of students who already carry a debt.

Admittedly, a postgraduate student will not incur more debt. These days, most graduates get some sort of grant, although there is also a worry that unless someone who wants to take a postgraduate position gets one of the grants, it is difficult for them to take that position because postgraduates are not entitled to a student loan. That, too, can reduce the number of postgraduates. The only non-anecdotal evidence is the evidence I quoted earlier: that there seems to have been a reduction in the number of postgraduate graduates in 1998-99. We will have to keep an eye on that to ensure that the number does not continue to fall.

Miss Goldie: It would be helpful if that information were made available to the committee.

Howard Wollman: Perhaps I may come in on that point. That is recent evidence. It is a bit early to judge the issue fully. Anecdotes are dangerous as evidence. When talking about postgraduate courses, we are talking not just about people who will go on to become researchers, but about people who may go on to do vocational postgraduate diplomas and masters courses.

My experience is that because of the burden of debt from their undergraduate studies, students who start a postgraduate course and are not in receipt of grants cannot get further loans from the banks or from other schemes. They are unable to get any form of financial support. The result is that having started the course—a course with a high employment record at the end of it—they have to abandon their studies and do something like go off to Korea to teach English for a year to try to save enough money to do the course again.

Elaine Thomson: I want to pick up on that point. There is talk about distortion in the employment market. When it gave evidence to us last week, the NUS made it clear that the bill offers a considerable improvement on the current arrangements for student finance. People must be making decisions about what kind of career they will pursue under the current, more adverse, student funding arrangements, so surely any such distortion is likely to decrease once the new graduate endowment comes into play with increased support for students?

It has also been made clear that students will not be worse off under the new arrangements—in fact, that many will be better off. Will not that help to ensure that students continue to go into areas such as social work or take up postgraduate studies of one sort or another?

Howard Wollman: You are right. In our written evidence we welcome the bill as an improvement on the current situation. In so far as students will be better off, it is clearly an improvement. There is no doubt about that. Our view is that implementation of the full Cubie proposals, especially those on the threshold for repayment, would have been an opportunity to improve the system considerably more. We are concerned that with the proposals as they are and with the threshold of £10,000 for repayment, we will be left with too many of the effects of the old system—but of course we accept that the bill is an improvement.

Ms MacDonald: I have two questions about the threshold. You instanced a graduate librarian with a starting salary of approximately £14,500. Most of us, regardless of where we are coming from politically, would think that a low level at which to ask people to start paying back. Do you have a compromise figure? Although the members of the Cubie committee who gave evidence said, as you have, that the proposed bill is an improvement and that there will be an improvement for most students, they were unwilling to move from what they see as the principle of setting the threshold at round about £25,000, presumably because they are relating that figure to the sort of jobs that people will do and the sort of salaries that they will get. Do you have a compromise figure? I am not

asking for a figure to the last pound and penny, but a range.

Dr Axon: We quoted a figure of £24,000, which is the average salary for non-manual workers. The average for all workers is about £20,000. That is the sort of range that we are thinking about. The Executive's objections to a threshold of £25,000 are more to do with collection problems, so I am not sure that the level at which it is being set is as big an issue as having a separate level. Certainly we would like the student loans threshold—and the graduate endowment threshold—to be increased.

16:00

Howard Wollman: I can see why the Cubie committee is so attached to that sort of figure. It said that individuals should make a contribution because they get a lifelong advantage of earning a considerable premium above the average rate. It therefore seems logical that people contribute only when they start to earn a premium above the average rate.

Ms MacDonald: But you adhere to the same principle as Cubie: that the contribution because you have benefited should be separated from the loan?

Howard Wollman: I think so, yes.

Anne Middleton: It is fair to say that the STUC's position is that we were not in favour of—

Ms MacDonald: Oh yes, you made that clear. Maybe I am being stupid, but I want to make sure that I am clear about what you are saying.

Anne Middleton: We have accepted the Cubie committee recommendations. There is a compromise. We looked at the research the Cubie committee undertook and felt that there was a basis to its recommendations, which is why our evidence to this committee is that the STUC general council endorses the Cubie recommendations. However, because of that it is difficult for us to propose a compromise figure. All we have done is put forward the average earnings.

George Lyon: You are saying that you endorse the principle proposed by the Cubie committee that £25,000 should be the threshold for the graduate endowment, but that the student loans threshold of £10,000 should stay the same because there is no recommendation on student loans in Cubie. Is that your position, or do you differ from Cubie? I thought that in your evidence you disagreed with the £10,000 student loans threshold.

Anne Middleton: We do, which is why I am saying we had the benefit of hearing Cubie in the discussion with you today—and the link that was

being made in respect of student loans. I think it was you who asked whether that meant that there should be a £25,000 threshold for endowments but that that should not apply to student loans. The Cubie committee said that it would have to examine that issue, although it had not addressed it in its report. We had a confab before we took our seats and are of the view that the threshold should apply to student loans and graduate endowments.

George Lyon: The threshold of £25,000?

Anne Middleton: Yes.

George Lyon: So you disagree with Cubie.

Mr McNeil: I have a question that is similar to one we asked the previous witnesses. The Executive has said that it wants to develop measures to open up learning and get people back into education. From the STUC's point of view, do you believe that this bill and the Executive's thrust will get people from the workplace into further education? If it is an opportunity, how will the STUC reflect that in its bargaining position to ensure that we take advantage of the Executive's proposals? How will you take advantage of that opportunity for your membership in the workplace who want to get back into education?

Anne Middleton: Through a number of avenues. We have been fully involved in training our trade union activists in what we call bargaining for skills so that they can be the champions of learning in the workplace. That means that workers are asking for training in the workplace to be delivered by employers who have never undertaken training and development plans for their workers. They are asking for it to be delivered through partnership to ensure that the training needs of the work force and the skills needs of the employer are addressed.

Through a variety of agencies, we have examined various approaches, such as the union learning fund, which we welcome. We have considered partnership developments with Scottish employers to raise awareness of training and learning in the workplace to get people back into the learning mode. That does not necessarily mean that members of the work force would attend educational establishments on a full-time or part-time basis. It might mean undertaking self-learning and development with time and resources for that being delivered by the employer.

The STUC is committed to lifelong learning and we have a policy of working with higher and further education institutions in respect of skills development in particular courses to ensure that they meet the needs of industry and the Scottish economy. We have worked with many bodies that have been instrumental in ensuring that that happens as part of the modernising agenda for

education and learning. It is important to remember that we are talking about learning as well as the education element.

We have been considering the development of learning centres in the workplace. We have done a considerable amount of work on that, particularly in the Scottish health service, where we have a partnership fund. Unions' learning products have been used by employers to help those who have not been used to the formal education processes. A programme called "Return to Learn" raises awareness among such people and helps them to access training. Trade unions have also accessed a number of free Open University places that have been made available to the workplace. The STUC has dedicated resources to raising awareness among our educationists, and a number of lifelong learning advisers are working with employers at workplace level to develop that and cultivate learning centres.

I have given you only a snippet of what is happening. I could give you more.

Mr McNeil: It was a planted question.

Dr Axon: One element of the bill that will help the STUC get people back to work is the fact that the graduate endowment will not apply to people over 25.

Mr McNeil: As well as the advantages—if you can mention any others—can you tell us about the disadvantages?

Howard Wollman: The provisions for mature students and lone parents are welcome. The disadvantages include the issue that was flagged up earlier: child care allowances not being applicable to higher education and the absence of the wider access bursary. I also want to flag up the part-time issue. The Cubie report called on the Scottish Executive to launch a feasibility study on that. We would welcome that because, in the future, there will be a need for greater flexibility of mode between part-time and full-time as people's life circumstances change. That needs to be reflected in the support arrangements for students.

The Convener: Have you any concluding remarks?

Anne Middleton: We welcome the opportunity to speak to the committee and we welcome many of the initiatives that have taken place as a result of the abolition of tuition fees and the work that the Executive is undertaking now in respect of further developments in that area. We want to work in partnership to ensure that there is a wider access to education for everyone who requires it.

The Convener: I thank you all for attending. That was helpful.

I ask the representatives of the Open University

to come to the table. I do not want to cut the Open University off, but I want to complete this session by half-past four. Our quorum is three and a number of members have to leave at that time. I want to ensure that we do not have to close the meeting because we are not quorate—I do not think that that would look good in tomorrow morning's headlines.

I welcome the representatives of the Open University: Peter Syme, the Scottish director; Dr Judith George, the deputy director in Scotland; and Dr Paddy Maher, the assistant director of quality and course presentation.

Peter Syme (Open University): I should say that both of my colleagues have many years' experience on the front line of student support issues across Scotland. We are grateful for the opportunity to give evidence.

Until the previous witness mentioned the issue at the end of that part of the meeting, I was going to say that it might have been hard to tell from the evidence that has been taken today that there are tens of thousands of students enrolled in universities in Scotland and domiciled in Scotland who, despite everything that has happened, continue to be liable to pay tuition fees. I am speaking about part-time students, where part time is defined as anything less than full time. Some of those students might be carrying a study load at least as heavy as that of students who are formally categorised as full-time students. We would argue that there is nothing special about those students other than their commitment and determination. They are not necessarily richer, more privileged or less worthy than full-time students—indeed, the opposite is often the case. Among their number are people whose voices are not often heard, such as returners to learning whose confidence might be lacking and for whom educational institutions—and, perhaps, parliamentary committees—are fairly daunting. Such people tend to be overlooked in comment on these matters. When people say that X per cent of students will benefit from a scheme, they tend to mean X per cent of full-time students.

We would be the first to recognise that, in the past two or three years, a great deal has been done to improve the lot of part-time students, such as additional funded places, the fee-waiver scheme for those on the lowest levels of income and the availability of individual learning accounts. However, we do not think that the situation is right yet. There is unfinished business, as Cubie and the Scottish Executive have recognised, and there is a danger that new inequities could be encouraged at a time when we want to encourage part-time learning in pursuit of the social inclusion agenda and the lifelong learning agenda.

I think that no one else will say this, but we

welcome section 2 of the bill. I do not think that the underlying policy is in dispute. Its immediate effect is to extend to distance-learning students the right of access to loans and to disabled students allowance. Ministers always intended that to be the effect. It is particularly important to us because, as Dr Paddy Maher can tell you in more detail, the OU is a particularly attractive option—perhaps the only option—for some students with disabilities. Section 2 corrects a legal anomaly between distance-learning students and other students and between distance-learning students in Scotland and distance-learning students elsewhere in the UK.

We have no substantial comment to make on the remainder of the bill. The devil is in the detail, however, and the Scottish Executive will no doubt lay draft regulations before you. Considering the amendments that will doubtless be pressed on the committee, we urge you to think not only of the school leaver who is taking up full-time residential study, but of the part-time students. We all have a duty to ensure that no poor soul is caught in a trap where it is financially advantageous to do what is not in their educational interest.

I want to leave you with the question of the unfinished business: recommendations 9 and 10 of the Cubie report, on part-time students, have yet to be addressed.

The Convener: Thank you. The table you provided in your written evidence is helpful and allows us to see at a glance what people are and are not entitled to.

Peter Syme: We do not claim that it has any authority: we have pulled it together from the available information. It is the best we can do.

The Convener: It is useful for us when information is presented like that. It encourages our laziness.

George Lyon: What impact is the support for distance learners likely to have? Will it encourage more students to take Open University courses?

16:15

Peter Syme: Do you mean the effect of section 2?

George Lyon: Yes.

Peter Syme: It will greatly help students with disabilities. The other immediate aspect of it is that it will provide access to fixed loans of up to £500 for those with an income of £13,000 or less. We do not know what the take-up of that will be.

The committee discussed debt aversion. We do not have substantial experience of that. We will wait and see.

Mr McNeil: Your written submission states that the Open University believes that

“resources should be targeted towards those with the greatest need.”

Does the Executive match that belief?

Peter Syme: A lot has been done. The fee waiver scheme has been a substantial success and could be extended. It provides for remission of fees for those on the lowest level of income. In 2000, about a quarter of new students entering level 1, our introductory courses, have had fee remission. It has been a very successful step to widen access. We must still examine progression and retention to see how those people get on over time, but it is an admirable starting point.

However, a lot more could be done. We want the comprehensive overview that Cubie asked the Executive to undertake. We would be glad to contribute to it.

Dr Paddy Maher (Open University): Before the fee waiver scheme came into existence, we had to put a quota on people who would otherwise have been eligible for our own financial awards system, so every year we turned away people who were not able to get those financial awards. Our concern is whether we can rely on the fee waiver scheme running for a number of years so that students can plan their studies over the longer period that many distance learners need.

George Lyon: How does the fee waiver scheme work? Is it means tested?

Dr Maher: It is mainly based on benefits. The Open University has its own fee waiver scheme, which runs alongside it. It has a means-tested element. The Scottish Higher Education Funding Council fee waiver scheme is based on receipt of benefits.

George Lyon: Would anyone who does not qualify for either of the schemes have to pay the full £1,000?

Peter Syme: Most students are not studying at the level of 120 credit points, which is the equivalent of full-time study, so they will pay proportionately less than the full £1,000 in any given year.

Mr McNeil: You mentioned debt aversion. Is it your experience from the Open University that the cost of taking up a place on an educational course is significant?

Peter Syme: The short answer to that is yes.

Dr Judith George (Open University): We have been well aware of that factor with ordinary undergraduate students.

We run a SHEFC funded programme in Dumfries and Galloway. It has a stage 1, which I

would term a social inclusion stage. We are, for example, working with people in the Maxwelltown High School area where there is high unemployment, lots of drugs and family problems. It is not only debt aversion; it is risk aversion. People who have been on similar pilot projects run by organisations that we work with closely, such as Women's Aid or Gingerbread, have built up their confidence and skills to the extent that they have got their lives together and got a job. However, they then plateau for several years before they go on to stage 2 courses, which are the access courses. Then, they will go on to enter further or higher education. It is a long progression through the stages. There are lots of factors. People need constant support and feel that a range of barriers, risks and threats are against them.

Ms MacDonald: I will ask Peter Syme about people making a choice of study because of financial considerations rather than future employment considerations or their talent and knowledge base. How will what we know of the proposed programme impact on that?

Peter Syme: We constantly have to make the point that people do not divide neatly into full-time students and part-time students. About 22 per cent of students who enter the Open University come with credit from another form of study.

There are two possibilities. First, once we get into the detail of people moving from, for example, part-time to full-time study and back again, we will have to ascertain whether they end up paying fees that contribute towards a graduate endowment. Regulations must be arranged on that.

Secondly, measures such as child care arrangements in FE, which were mentioned earlier, and the mature students bursary for students in full-time higher education have been put in place. Those might influence people's choices, because it might be more practical for them to take a certain option although it might not necessarily be in their best educational interests.

We want equity of treatment to be the goal. It might be a goal that cannot quite be attained, but it should be the goal.

Elaine Thomson: I will follow up on who will have to pay the graduate endowment. Are a large number of students at the Open University mature students?

Peter Syme: Yes—95 per cent are over 25.

Elaine Thomson: Various categories of people are exempt from paying the graduate endowment—almost 50 per cent of students will not have to pay. They include disabled students and mature students. Will not that help many Open University students? Are the current

categories of exemption adequate?

Peter Syme: Although it is implied in everything that is said, we have not seen a categorical statement that part-time students are excluded from liability for the graduate endowment.

Elaine Thomson: I did not refer to part-time students.

Peter Syme: I know, but you asked whether the categories are adequate.

Ms MacDonald: Do you want a categorical assurance?

Peter Syme: It is implied in everything that has been said. It would be very helpful for it to be stated.

I do not know that it would make much difference to Open University students. The point is about the relative position of part-time and full-time students. We accept that the position of part-time and full-time students has been improved by measures that have been introduced. The issue is whether the relative position of the two requires to be examined.

Cubie recommended that the Scottish Executive commission a feasibility study on part-time students on credit-bearing courses and a review of how to develop the relationship, which is important for part-time students, between the benefit system and support for part-time students in further and higher education. We want those recommendations to be pursued.

The Convener: Do you have comments on other provisions in the bill? I assume that the council tax provisions do not affect most of your students.

Peter Syme: We have not examined that in detail. We hope that the position of part timers in that connection would be considered in a review.

The Convener: There are no more questions. Your written evidence is succinct and helpful. It has probably answered questions that we would otherwise have asked. Do you want to make any concluding remarks?

Peter Syme: I think not, convener, in awareness of your time.

The Convener: Your evidence has been extremely helpful. I thank you very much indeed. I am sorry that the evidence session was short, but I hope that you found it useful to sit through the other evidence sessions this afternoon.

Peter Syme: It was extremely interesting and I wish you well.

The Convener: That concludes the meeting. We reconvene at 10 o'clock tomorrow morning.

Meeting closed at 16:25.

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