

2015.07.14

4.8 Deputy J.M. Maçon of St. Saviour of the Minister for Treasury and Resources regarding support for students wishing to attend tertiary education:

Following my suggestion to the Minister for Education, Sport and Culture during question time on 10th March 2015 that a tax-based scheme to help support students wishing to attend tertiary education (university in particular but not exclusively) should be introduced, would the Minister advise whether this is now being investigated and what the accompanying timetable for its introduction would be and if not, why not? Thank you.

Senator A.J.H. Maclean (The Minister for Treasury and Resources):

The Deputy will be aware that the Minister for Education, Sport and Culture is actively involving students, parents and members of the general public in his consideration of the options for higher education funding. There is a public workshop, in fact, on 29th July at Highlands College Great Hall. Education officers continue to explore affordable higher education funding models and have had discussions with Treasury officials. The Minister for Education, Sport and Culture and I have discussed matters and have agreed that we will update Members on progress in September.

4.8.1 Deputy J.M. Maçon:

Given that the Council of Ministers' policy is that no Jersey child should be prohibited from attending higher education due to reasons of financial restriction, can the Minister confirm whether the department in the set proposals is considering an I.S.O. (International Standard Organisation) based scheme?

Senator A.J.H. Maclean:

All I can say at the moment is that of course there is already a tax incentive, an enhanced higher tax allowance, of £6,000. Members will be aware that in fact the standard rate is £3,000 and this can be claimed by parents with children at university off-Island or indeed for that matter with children on-Island studying qualifying university degree courses. It is worth bearing in mind just on that point that I think it was back in 2006 there was only one degree course available in Jersey. The current number is 14; it is increasing. I think that is a very positive thing that we have more degree courses available for students to consider on-Island. It also, by the way, attracts foreign students, again, a positive aspect from an economic perspective. So there are advantages already available and enhancements to allowances for parents for children. I would just add one final point if I may, and that is that 75 per cent of children - I understand all students - who go to or take higher education get some form of benefit under the current system although I do accept, and the reason we are still continuing to look at it with Education, is that matters need to be considered further.

4.8.2 Deputy G.P. Southern:

What thoughts, considerations has the Minister for Treasury and Resources had about restoring the levels of the maintenance grants, in particular to previous levels, say, that were attained in 2008, and, most importantly, what sort of sums has he put in their calculations as to how much it would take to do that? Does he have those range of figures and will he release them to Members?

Senator A.J.H. Maclean:

I do not have that figure to hand. All I would comment on is that it was of interest and note that in the U.K. budget very recently maintenance grants were cancelled by the U.K. Government which is an entirely different perspective on this particular issue. I am happy to provide the Deputy with the figures that he asked for if indeed I am able to do so, and I will update him on that. I see no reason why not. But I will update him if that is indeed possible.

4.8.3 Deputy L.M.C. Doublet:

I notice on the M.T.F.P. that we have received today on page 9 there is a contingency fund for economic and productivity growth provision. Could the Minister consider possibly awarding some of this £5 million in grants to students who might show particular promise in using their qualifications to innovate in-Island and potentially grow our economy?

Senator A.J.H. Maclean:

That is an extremely good question. I should just point out to Members that the sum of money allocated for economic growth diversification is £20 million and indeed it is going to be held centrally by Treasury and it is going to be subject of a rigorous process to assess all applications. What I can say to the Deputy is that there is no reason why Education, for skills purposes, development and so on, could not make an application for funding from that particular pot but of course it will have to go through a process, as I am sure Members would appreciate.

[10:45]

4.8.4 Deputy J.M. Maçon:

Can the Minister therefore confirm that again in this consultation paper whether a Graduate Tax is going to be introduced and that his department is also investigating that aspect?

Senator A.J.H. Maclean:

That question has been raised and certainly has been looked at. All I would comment on to the Deputy is that I think we want to have, and need to have if we are going to do anything else, a simple system and one system rather than multiple systems. As I have said, we have already got a higher enhanced allowance scheme in place to support parents, so we need to look very carefully at not complicating the system and underpinning everything. Whatever is considered, it needs to be affordable, certainly in the context of the Medium-Term Financial Plan the next few years.