

five challenges for the new prime minister



national union of students

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As one of the largest student representative organisations in the world, the National Union of Students works to improve the lives and experiences of further and higher education students in the UK by ensuring their voice is heard and effectively represented.

Education is life changing

Education is a force for social cohesion and mobility. It transfers benefits to wider society by closing the skills gap, educating the workforce, and producing healthier citizens who will contribute more in tax and take less in benefits.

Students are changing

There are more than seven million students in the UK's further and higher education sectors, and the numbers are increasing in the wake of Government drives to increase participation. Of these students, more and more are from non-traditional backgrounds; a growing proportion are mature or part-time, many live at home, and some have families of their own. International students make up

a large proportion of the further and higher education population, while women and ethnic minorities are represented in greater numbers than ever before.

NUS is changing

NUS is committed to reflecting the dramatic changes across the educational landscape to better represent UK students. We seek to promote wellbeing, access, fairness, security, and a quality education for all our members, wherever they study and whatever their background.

We challenge the next Prime Minister to offer a fair deal to students. If implemented, these five proposals would provide a statement of intent, reach out to the students of today and give them the tools to become the active citizens of tomorrow.

Five challenges

Health – NUS calls for prescriptions, dental care and eye test exemptions to be extended to cover all students.

Travel – NUS calls for a commitment to ensure concessionary bus travel for all students.

Debt – NUS calls for the current interest rate on student loans to remain linked to inflation.

Skills – NUS calls for the extension of free entitlement to level 3 qualifications to all adults.

Work – NUS calls for an equal minimum wage to protect our most vulnerable workers, and give them a fair and equal position in the workplace.

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Health

NUS calls for prescriptions, dental care and eye test exemptions to be extended to cover all students.

Research from 2004 showed that 79.2 percent of students surveyed did not apply for help with health care costs under the current low-income scheme, and one in seven students did not seek medical assistance when in need of it.¹

Students face increasing financial pressures and the cost of accessing healthcare often diverts money away from spending on basic needs such as food and study materials. NUS believes that investing in affordable quality healthcare now will ensure a healthier generation of graduates in the future.

Travel

NUS calls for a commitment to ensure concessionary bus travel for all students.

The cost of bus travel has risen dramatically over the last twenty years. Bus and coach fares rose by 168 percent between 1987 and 2006, a period during which the cost of motoring remained stable.²

Young people, more than most other age groups, are far heavier users of public transport, as are those from poorer backgrounds.

The creeping increases in the cost of public transport have a disproportionate impact on the groups who tend to rely on buses rather than cars to meet their transport needs.

Transport costs have a major impact upon access to employment and training opportunities for all people.

Six percent of all 16–24 year-olds turn down training or further education because of problems with transport and nearly half of 16–18 year-old students say they find transport costs hard to meet.³

Students will feel the effects of climate change in the future. Encouraging the use of public transport today will help ensure a safer tomorrow.

Debt

NUS calls for the current interest rate on student loans to remain linked to inflation.

The student maintenance loan for those living outside London is £4,405 per annum and most students will have taken out £3,000 per annum to pay for tuition fees. These are income-contingent loans, to be paid back when students earn over £15,000 per annum. The interest rate on these loans is linked to inflation, so that the amount students pay back will have broadly the same value as the amount they borrow.

There has been a worrying trend towards a greater reliance on credit cards and other commercial debt to supplement student income. The crippling rates of interest

charged on commercial debt hit students just as they enter the world of work.

Despite this, proposals to add a commercial rate of interest to student loans have been touted as a way to supplement higher education finances. This would increase financial pressure on those graduates who can least afford it – the poorest and middle-income students. It is these students – often the most debt-averse – who take out the most in loans, are less likely to get the highest paid graduate jobs, and face repaying over a longer period. As always, the graduates taking the longest time to pay off their loan debt – the teachers, the social workers and the nurses – will end up paying the most in this system.

Skills

NUS calls for the extension of free entitlement to level 3 qualifications to all adults.

Since 1997, the number of post-16 learners has grown from 4 million to 6 million.⁴ While this has gone a long way to alleviate the skills gap, the UK still lags behind international competitors – ranked 24th out of 29 developed nations for the proportion of young people staying on in post-16 education or training.⁵

By 2010 the number of young people will have fallen and future economic success will depend on retraining the current adult workforce. This is one of the biggest strategic challenges facing our country.

The Skills Strategy introduced a welcome entitlement for all adults to achieve a full level 2 qualification, which will have an enormous impact on combating social exclusion and marginalisation.

However, there is a lack of focus on skills at level 3 – those skills that the economy really needs. Currently, only those up to the age of 25 have an entitlement to a full level 3 qualification.

Work

NUS calls for an equal minimum wage to protect our most vulnerable workers, and give them a fair and equal position in the workplace.

From October 2007, the minimum wage will be £5.52 per hour for workers aged over 22. For those aged 18–21 it's £4.60 per hour, and for those aged 16–18, it is £3.40 per hour.

NUS welcomed the introduction of the minimum wage. However, this tiered approach does not go nearly far enough towards protecting young people from exploitation, or respecting the contribution they make in the workplace.

Lower wages encourage young people to work longer hours. Full-time students are already working an average of 14 hours a week.⁶ This may damage their education and unnaturally distort the labour market, to the detriment of business and young people.

1. *Students' access to healthcare 2003/2004*. NUS, 2004.
2. *Social trends 37*. ONS, 2007.
3. *Unfare! Young people and transport costs*. TUC, 2007.
4. *Further education white paper: transforming young lives and driving up skills for the future*. DfES press release, 2006.
5. *Leitch: review of skills, skills in the UK: the long-term challenge (Interim report)*. HM Treasury, 2006
6. *All work and low pay, the growth in UK student employment*. TUC, 2006.

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