

Labour will lift £38 billion debt burden from students' shoulders

400,000 university students will be freed from an average of around £27,000 debt this autumn if Labour is elected next month, Leader of the Labour Party, Jeremy Corbyn, and Shadow Education Secretary, Angela Rayner, will announce today.

Tuition fees will be abolished from 2018 under a Labour Government. But Labour is also pledging to write off the first year of fees for students planning to start university this September.

Abolishing tuition fees will lift a total £38 billion in debt from fees over the course of the next parliament, before a penny of interest is added.

This will give 18-year-olds sitting their A levels this summer yet another reason to register to vote before tonight's (22 May) midnight deadline and to vote Labour on 8th June.

Tuition fees have trebled to over £9,000 a year since 2012 and graduates are being held back by starting their working lives saddled with debts averaging almost £45,000.

As well as abolishing university tuition fees, Labour will restore the maintenance grants the Conservatives abolished in 2016 and, under its transformative plan for a free National Education Service, will scrap college fees for adult learners.

Jeremy Corbyn, Leader of the Labour Party, said:

"The Conservatives have held students back for too long, saddling them with debt that blights the start of their working lives. Labour will lift this cloud of debt and make education free for all as part of our plan for a richer Britain for the many not the few.

"We will scrap tuition fees and ensure universities have the resources they need to continue to provide a world-class education. Students will benefit from having more money in their pockets, and we will all benefit from the engineers, doctors, teachers and scientists that our universities produce."

Angela Rayner, Labour's Shadow Secretary of State for Education, said:

"Labour believes everyone should have the chance to further their studies, not just those that can afford it, and we will restore the principle that

education

is free. No one should be put off from getting an education through a lack of money or fear of debt.

“The Tories trebled tuition fees and students now rack up an average £45,000 debt. A Labour Government will stop that. If students sitting their A levels now want a say on their future they need to register to vote before tonight’s deadline and vote Labour on 8 June.”

Ends

Notes to editors:

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Labour will abolish tuition fees for home students in England studying standard undergraduate first degrees at established universities and further education colleges from the academic year starting in 2018 – the earliest it will be possible to pass the legislation through parliament. (University is already free for EU students in Scottish universities)

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To discourage students who are planning to start university this September from deferring until after tuition fees are removed, we will guarantee to immediately write off their first year of fees.

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Students part way through their degree will not have to pay fees for the remainder of their course. Part-time students will be covered for the cost of their first undergraduate degree.

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Students who have already graduated will be protected from above inflation interest rate rises on existing debt. And we will look for ways to ameliorate this debt burden in future.

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We will seek to provide free tuition for EU students and seek reciprocal arrangements at EU universities as part of the Brexit negotiations.

We will remove EU and international students from the net migration figures and preserve the current system of fees for non-EU students.

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The average student leaves university with almost £45,000 worth of debt, which they would pay off through their lifetime. Under our plans this will be reduced by an average of more £27,000 for students who don’t qualify for a maintenance grant, and to zero for students who do.

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We have costed the abolition of tuition fees at £9.5 billion annually in 2021/22 prices (the £11.2 billion figure for higher education listed in our Grey Book published alongside the manifesto also included £1.7

billion for maintenance grants). Over four years (from 2018/19 academic year, this is £38 billion). It will be paid for by increasing income tax for the top

5 per cent of earners and reversing the Conservatives' cuts to corporation tax.

The £9.5 billion is an estimate of the actual revenues currently being paid to

universities through fees, and this money will all go directly back into universities so they will not lose out.

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In 2015/16 there were 365,700 full-time first year students studying their first undergraduate degrees in England (Higher Education Statistics Agency). In 2014/15 there were 38,600 part-time students studying their first undergraduate degree (own calculations). Assuming student numbers stay roughly constant, approximately 400,000 students will benefit each year.