One of my first actions on becoming Minister was to instigate a review of student financial support. The review was undertaken to deal with deficiencies and disparities in the present system. The review is addressing the needs of all full-time and part-time higher and further education students. Following consultation with interested groups proposals are now being finalised. I hope to be in a position to announce these in the near future.

The key objectives of the review are:

- Targeting social need and equality of opportunity in further and higher education
- Promoting lifelong learning by increasing participation in higher and further education
- Widening access for those from under-represented groups in further and higher education
- Giving as much financial security to all our higher and further education students as resources will allow.

As part of the consultation process I asked that the Assembly's Higher & Further Education Committee examine the issue and provide me with its advice. When the Committee presented its report I felt obliged to express reservations about some of its key recommendations. Despite these reservations the Committee sought Assembly support for the implementation of its own recommendations.

My reservations as outlined to the Committee and to the Assembly are as follows:

1. The Committee's first recommendation is to completely abolish higher education tuition fees.

Appealing as this recommendation is, implementing it in present circumstances would ignore a central requirement of the Programme for Government, i.e. directing resources at those most in need. The recommendation effectively demands that a massive subsidy of £35m be given to students from better off families. At present, because they are from lower-income families 50 per cent of students pay no fees and 20 per cent pay reduced fees. Their full or partial fees are paid from my Department's budget. The £35m needed to cover fees for the 30 per cent who still pay would be a direct subsidy to students from better off families. That is what the Sinn Fein, DUP, Alliance and Women's Coalition members who supported this recommendation were calling for.

The recommendation that some graduates would repay fees when earning more than £25,000 hardly compensates. At today's rates, few graduates would reach such earnings before their 30th birthday. Consequently, very little finance would flow back into the public purse for very many years.

Meantime, this measure would do nothing for students from lower-income backgrounds. Nor would it increase participation in further and higher education from under-represented groups. Nor do I believe it to be a measure that would be greeted with any enthusiasm by disadvantaged communities in constituencies represented by Sinn Fein and DUP. In present circumstances it would be rightly seen as socially unjust.

2. In its recommendation on fees the Committee also said that abolition should only apply to students studying in Northern Ireland colleges and universities.

The four thousand students who depart every year to study outside of Northern Ireland would, therefore, be excluded. I had informed the Committee that its recommendations could be contrary to equality requirements and could be declared discriminatory. My concern has yet to be addressed by the Committee.

The Committee argued that places be increased to enable more students study at home. Increasing places is already part of my Department's policy. However resources are unlikely to be available in the foreseeable future to provide the many thousands of extra places necessary to avoid some student migration. This advice was also ignored and the discriminatory recommendation retained.

Targeting Social Need and Equality are fundamental requirements of the Good Friday Agreement. The DUP could be excused ignorance of these requirements but hardly Sinn Fein, Alliance or the Women's Coalition.

Given the warning from the committee's own advisors that its recommendations could breach equality and targeting social need requirements the failure to heed that warning is also difficult to understand. The advisors wrote, "Such a policy might well be seen as discriminatory and certainly not New-TSN (targeting social need) compatible. It could well be challenged under the Department for Higher and Further Education, Training and Employment's Equality scheme. The crucial issue is that only applying the scheme in Northern Ireland under current circumstances would be unfair. It should be noted that even if offered in Northern Ireland it would also be available to European Union students studying in Northern Ireland." (p.141, vol.2, Report on Student Finance)

Adopting these recommendations would produce a very curious situation. The Northern Ireland Executive would have to support students from other EU states studying here. However, it would be unable to offer similar support to many thousands of our own. I would expect considerable unease throughout all parties at such a possibility.

Completely removing tuition fees is regarded by many as a right. However, it is important to understand why it is not possible to completely abolish fees in present circumstances:

- It is argued that since the Scottish Executive has done so, why not Northern Ireland's Executive? This comparison is misleading. In Scotland tuition fees have been replaced by a levy to be paid when students graduate and earn £10,000. This only adds to student debt and many are rightly opposed to increasing student debt in this manner.
- ii. Excluding students studying outside Northern Ireland makes the legality and political possibility of complete abolition very questionable.
- Even if legal, the resources needed to abolish tuition fees now could not easily be made available to the Executive. Finding £35m would mean taking from existing programmes. Assembly members arguing this case should identify those programmes for cut back to release funds to support the better off in our society. Should funds for adult literacy and lifelong learning programmes be cut? Should I raid funds for training the unemployed? Should other ministers contribute by cutting investment in health, roads or transport?
- iv. Because tuition fees were introduced by the British government, fees could, in reality, only be completely abolished here following a decision by the Department for Education and Employment in London to abolish fees for England and Wales.

Making such an impossible demand on a local minister displays no awareness of what is possible. It also shows little concern for a practical and realistic approach to student needs. It simply amounts to playing party political games.

Another important reservation about the Committee's report is its near silence on the needs of further education and part-time students. My review made clear that their needs must also be taken into account. I was disappointed that the Committee sought the implementation of a report that virtually ignores such a large number of our students, many from lower-income backgrounds.

For all these reasons, the sight of Sinn Fein, DUP, Women's Coalition and Alliance Assembly Members voting together for recommendations that, if adopted, would be socially unjust, could violate equality requirements and ignored the needs of further education and part-time students was as extraordinary as it was disappointing.

In highlighting these reservations I acknowledge that the report has been very helpful on many issues. Since receiving it I have taken it into account in formulating my own proposals. I trust those parties will now reflect on my reservations and work with me over the coming weeks to achieve the best possible deal for all our students.

Sean Farren (SDLP, North Antrim), Minister for Higher and Further Education, Training and Employment.