

2063 Only Fools and Courses: Stop the Student Debt Sell-off

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Union Notes:

1. The Government recently announced plans to begin selling off the student loan book starting with loans taken out between 2002 and 2006¹. But potentially being rolled out to cover all pre-2012 loans.
2. The move was described by the Financial Times economics correspondent Martin Woolf as “economic illiteracy”
3. NUS has condemned the move, stating “Bankers should not be profiting from student debt, and this sale sets a precedent to privatising our education through the back door”²
4. The sale will compromise the future repayments on the outstanding balances on a selection of loans, with a total face value of around £4bn.
5. UUEAS is committed to free education, focused on students as students and not as consumers (Notably Motion 1951)

Union Believes:

1. That this amounts to back door privatisation of an element of our education system
2. The sale of the student loan book will actually damage the public purse and is designed to prioritise a quick profit over and above the long term.³
3. If it becomes the norm for student loans to be sold to private investors, rather than held by government, it will be all the more tempting for governments to subject future students to extortionate interest, commercial terms and conditions and the raising of the repayment threshold, making loans even more attractive to private interests, but all the harder for new graduates to economically contribute to society
4. This is the next step in an attempt to convert students into consumers and to marketise and privatise the entire HE sector.
5. Bankers, hedge funds and private interests should not benefit from the debt of students and this creates a dangerous system in which the more debt forced on students, the greater the benefit for private capital.

Union Resolves:

¹ <http://www.independent.co.uk/student/news/student-loans-sales-debt-private-companies-treasury-graduates-12bn-a7565716.html>

² <https://www.nus.org.uk/en/news/press-releases/nus-condemns-government-sell-off-of-student-loan-book/>

³ <http://blogs.ft.com/martin-wolf-exchange/2013/05/16/why-the-uk-should-notsell-its-student-loan-book/>

1. To launch a campaign of lobbying Clive Lewis MP and other Norfolk MP's encouraging them to vote against the sell off
2. Mandate relevant officers to release a statement outlining why UUEAS opposes the sale of student debt
3. To mandate SOC to campaign against the sell off and explore options of how to most effectively oppose it.
4. To oppose all future plans for similar student debt sell-offs

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