



MALTA EMPLOYERS' ASSOCIATION

35/1, South Street, Valletta VLT 11, Malta.

Tel: (+356) 21 237585, 21 222992

Fax: (+356) 21 230227

E-mail: mea@maltanet.net

Web Site: <http://www.maltaemployers.com>

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Media Release

MEA's reaction to the revision in Student Stipends

The Malta Employers' Association expressed its agreement in principle with the revision in student stipends. The Association said that redistributing the stipends to discriminate in favour of courses that are more in demand by industry, and that offer a better promise of a career for students is in line with the recommendations that it has been making over the past years.

The MEA warned that means testing could be subject to abuse. The gap between a monthly stipend of LM40 and LM120 to those who satisfy the means test is too wide and will be unfair on many students coming from middle-income families. The Association had pronounced itself against means testing during the consultation discussions that led to the Chalmers Report because there is no conclusive proof about the extent to which entry into university is actually dependent on family income. It does not automatically follow that because a person comes from a relatively high income family, that family will sponsor his/her studies. Pursuing higher education is more a matter of family culture than income.

The Association said that it would have been better to introduce the new system before the students selected their course for this academic year for the incentive to have a more immediate effect. The Association also pointed out that the priority of government allocation to the educational budget should be to improve the facilities of tertiary educational institutions and the quality of courses offered, and not to maintain the stipends scheme. It is worrying that the expenditure on stipends is projected to increase from LM8.3m to LM13m in the coming years because of an expected increase in the number of students, while at the same time, both MCAST and University are complaining from inadequate capital expenditure, and in some cases, have to close their doors to students aspiring to follow courses that are in high demand, such as IT, because of insufficient facilities. The MEA stressed that ultimately, tertiary education is about books and research, not student stipends.

Government has to strike a right balance between offering financial incentives for students to pursue tertiary education – which is a system that is not applied anywhere else outside Malta – and providing courses of a high standard, even if it means capping expenditure on stipends. This will certainly be in the interest of all the stakeholders concerned, namely the students, industry, taxpayers and tertiary educational institutions.