

Reykjavík, 10. maí 2021

## LÍS' statement on governmental action in response to COVID-19:

Increased contributions to mental health services in universities welcomed, but calls for higher subsistence loans only partially answered

<u>The government's action on COVID-19</u> announced on Friday includes a number of student issues. Summer studies, summer student loans and special student jobs had already been announced, all important and necessary measures to support students through the pandemic.

This newest announcement states that funding will be provided specifically to universities to increase support for students' mental health due to increased demand since the onset of the pandemic. We sincerely welcome this, as well as other steps that have been taken to improve young people's access to mental health services in general. LÍS and the student movements have long pointed out the poor mental health of students and the lack of resources, and with these improvements people have a better chance of making the most of their studies and building a solid foundation for their future.

However, LÍS has to express its disappointment that the government has not responded to students' calls for higher maintenance loans except to a limited extent. After a lot of pressure from students, the government decided that students earning under the maximum income limit can apply for an extra loan amounting to 6% of the subsistence loan. We sincerely hope that this measure will benefit those who have lost income due to the pandemic, but students' demands for adequate financial support was not about a temporary measure for a limited group.

LÍS has run the campaign <u>Studying should be a dream, not a financial nightmare</u> with aim to push for an increase in subsistence loans. <u>The Student Council of the University of</u> <u>Iceland</u> also worked hard on their campaign <u>Don't students deserve better?</u> with similar emphases as well as the right of students to unemployment benefits.

At the bill stage of the new law on the Menntasjóður, <u>LÍS pointed out</u> that there was a need to have a benchmark for subsistence loans fixed in law and also provisions for regular review of the amount of subsistence loans. In recent years, subsistence loans have risen only in relation to the consumer price index (most recently by 4%), but not significantly enough to help students.

<u>There is solid data</u> that shows how bad students' financial situation is and the student movements have repeatedly pointed out that too low maintenance loans put people in the position of having to work with their studies. A new Menntasjóður system increased support for students after graduation in the form of cancellation of a part of their loan, but the loans are still insufficient to live off of during their studies. If the system is to work, if it is to ensure everyone's access to education, then it must be possible to support oneself on student loans. We will continue to fight for higher subsistence loans.

Once again, students celebrate the government's initiative to increase support for mental health services universities and commend student representatives for their work in raising awareness of this issue. But the work of student representatives is far from over, we will continue to fight for students' financial security, higher subsistence loans and the right to unemployment benefits. After all, these two issues, students' well-being and their financial difficulties, are interdependent and closely related.