



NEW ZEALAND UNION OF STUDENTS' ASSOCIATIONS (INC.)

TE RŌPŪ ĀKONGA O NGĀ WHARE WĀNANGA O AOTEAROA

NZUSA

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Press Release

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Attention: Education and Political reporters

Lost opportunity for a real 'stepchange'

Future graduations are likely to be less happy affairs due to tertiary policy changes announced in the Budget this afternoon.

Continued underfunding by successive governments has led to students graduating with high student debt due to increasing fees, as well as underinvestment in staffing and critical facilities such as libraries. Two universities in the last week have also closed their doors for 2010, citing a lack of funding.

Budget announcements today indicate that already-high tertiary fees are set to rise even higher, access to student loans will be cut, and many students will continue to borrow to live while studying. However, there has been a small increase in funding rates and funded places.

"We welcome the one off boost in tuition subsidies. However, the extra funded places are woefully inadequate given the current climate. For example, universities nationwide will get an extra 1735 places next year yet over 1500 students alone will be turned away by Victoria University in 2010," says NZUSA co-President Pene Delaney.

"Bill English says he wants to build a more prosperous ambitious New Zealand where Kiwis have opportunities to get ahead. However by choosing not to increase total tertiary funding, the government has failed to build a strong sustained recovery and deliver on its vision. It has failed to meaningfully tackle the real issues of underfunding and student debt," says NZUSA co-President David Do.

It was also announced that the current fee maxima policy will be scrapped and replaced with a 4% annual limit on fee rises across the board, as well as funding 20 new medical places.

"The government's abandonment of maximum fee caps is a disturbing development and will mean already expensive fees will climb much higher. For example, medical and dentistry students currently face courses costing between \$10,000 and \$11,000 per year and graduates leave owing on average \$65,000," says Do.

"There is already huge community concern from the New Zealand Medical Students' Association and the New Zealand Medical Association over the impact higher fees will have on graduate retention and workforce shortages. What is the point of increasing medical places, if most of those graduates end up pushed overseas by their student debt once they finish?," says Do.

Graduates and their families hope that beyond this Budget, the Government will move away from reactionary policies to ensuring New Zealand has a well resourced system delivering quality education, contributing to a sustained economic improvement and recovery for all.

NZUSA is the national representative body for tertiary students and has been advocating on student issues since 1929.

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