



NEW ZEALAND UNION OF STUDENTS' ASSOCIATIONS (INC.)

TE RŌPŪ ĀKONGA O NGĀ WHARE WĀNANGA O AOTEAROA

NZUSA Federation Office~ Level 3, 354 Lambton Quay, PO Box 101-91, Wellington
Phone: 04 498 2500, Fax: 04 473 2391

Press Release

20 April 2010 - For Immediate Release
Attention: Education and Political reporters

New inflation figures confirm fee, GST worries

New figures released by Statistics New Zealand today confirm an increasingly bleak picture for students who could face a triple whammy in this year's Budget.

The Consumer Price Index (CPI) rose 0.4 per cent in the March quarter however university fees gained 6.1 per cent. This was one of the highest individual upward increases this quarter. The rise reflected higher course fees and new compulsory levies introduced by some universities to cover the costs of providing existing institutional services to students.

"These increases are the direct result of continued underfunding in the tertiary sector. Students are borrowing more as institutions continue to buckle under the pressures of underfunding and pass on more of the costs," says NZUSA co-President Pene Delaney.

The figures come after indications from Tertiary Education Minister Steven Joyce that the government is considering changes to allow tuition fees to increase to much higher levels. NZUSA echoes the sentiments expressed by the New Zealand Medical Students' Association and the New Zealand Medical Association on the impact higher fees will have on graduate retention and workforce shortages.

"Increasing fees without any corresponding increase in government funding will mean students will again face costs rising higher than inflation. In stark contrast, the Australian government has substantially boosted its investment into both universities and student support in its last Budget," says Delaney.

The proposed increases to GST will also mean many students will find it harder to make ends meet. Prime Minister John Key was asked at Monday's post-Cabinet press conference whether student allowances would get the same GST adjustment compensation package as welfare benefits. Worryingly, he responded that he "hasn't looked at that". Coupled with Steven Joyce's statement on TVNZ's Q+A programme that no changes to student allowances were planned, this paints a very bleak picture for low income students.

"Students will find John Key's casual attitude on this issue unacceptable. We call on the Government to publicly confirm whether or not student allowances will be compensated for the rise in GST, or whether they will indeed be hit with the triple whammy of already increasing CPI costs, higher tuition fees, and a rise in GST," says NZUSA co-President David Do.

ENDS

For more information contact:

NZUSA Co-President David Do, 027 486 8677, david.do@students.org.nz

NZUSA Co-President Pene Delaney, 027 486 8673, pene.delaney@students.org.nz