

**Media  
Release**

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Attention: Education and  
Political reporters  
**For Immediate Release**

## **Student loan scheme not a pretty picture: report**

The Student Loan Scheme Annual Report tabled in parliament yesterday shows that average student debt is increasing and more students are graduating with extraordinarily high levels of student debt.

“This report is a sad reminder of how the Student Loan Scheme is making the lives of an entire generation of New Zealanders increasingly difficult,” said Camilla Belich, Co-president of the New Zealand University Students’ Association (NZUSA).

“The average student debt figures stated in the report fail to take into account other types of debt incurred by students in order to study such as credit card debt, bank overdrafts and debt to friends and family members,” said Belich.

“Student debt is certain to continue to increase as long as this government continues its policy of allowing tuition fee increases of up to 10% and severely restricting access to student allowances,” said Belich.

The report also shows that the number of students with loan balances over \$50,000 has grown by 24% in one year, and the number of students with loans over \$30,000 has grown by 17% since 2004.

“The government’s policy of no interest on student loans, introduced into the House yesterday, will give some hope to borrowers that they will not die in debt, however more action is needed to address the drivers of debt to ensure students are not being forced to rack up large loans in the first place,” said Andrew Kirton, Co-president of NZUSA.

“The report proves that the situation is clearly getting worse for students, not better. The government must widen access to student allowances and put a stop to the massive fee increases we have seen over the past three years,” said Kirton.

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For more information contact NZUSA Co-presidents:

Camilla Belich  
Phone 0274 86 86 77

Andrew Kirton  
Phone 0274 86 86 73