

Media Release

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Attention: Education and
Political Reporters
For Immediate Release**

Government denies students allowances through decade of negligence

The New Zealand University Students' Association (NZUSA) is calling on the government to immediately adjust parental income thresholds for student allowances which have not been adjusted in ten years, in the wake of a select committee tertiary inquiry failing to come up with any recommendations to help fix the student debt problem.

"That Committee failed to make any recommendations that could be used to alleviate student debt. Students are saying to the government – we can make a recommendation. Increasing access to allowances would help students out and help slow down the rise of student indebtedness," said NZUSA Co-President Andrew Campbell.

"Parental income thresholds for student allowances have not been adjusted for inflation since they were introduced in 1992. There are thousands of students who should be receiving student allowances who are missing out," said Campbell.

"It is hard to imagine that the parental income thresholds set in 1992 were never supposed to be adjusted. It is a disgrace that they haven't and as a result many students who should be eligible for an allowance are incurring large amounts of debt by being forced to borrow for living costs through the student loan scheme."

Currently, only 33% of full time tertiary students are eligible for a living allowance, down from 45% in 1993. All under 25 year old students are means tested on their parent's income. These income levels have not been adjusted at all since they were introduced a decade ago.

"The parental income levels are ridiculously low and need to be adjusted immediately for inflation over the last ten years. The government is ignoring the current student debt crisis while also ripping many students off by denying them access to allowances."

Attached: table of parental income thresholds updated for inflation.

ENDS

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