

**Media
Release**

**16 October 2003
Attention: Education and
Political reporters
For Immediate Release**

More proof student loans are damaging key public services

Today's announcement of more student loan relief for groups of secondary teachers is further proof that student debt is damaging key public services, according to the New Zealand University Students' Association (NZUSA).

"This loan relief will be very helpful to those teachers that receive it," said Fleur Fitzsimons, Co-President of NZUSA. "We welcome measures that will assist graduates to repay their loans and not be saddled with decades of debt."

"However, government must also acknowledge that the problems caused by high student loan debt are felt through our whole economy and society. There must be relief for all loan borrowers, and long term solutions rather than quick fixes."

NZUSA is pleased that the Government is recognising that student loans are a significant factor in workforce shortages, and is attempting to lessen the negative effects of debt.

"Bonding and scholarships help to lift the debt burden from the individual students and graduates who receive them," said Fitzsimons. "But the government also has to attack the drivers of debt – high fees and lack of living allowances."

"Borrowing for living costs drives up student loan borrowing. A living allowance for all students would help our teachers and all other graduates enter the workforce free from massive student debt."

ENDS

For further comment
Fleur Fitzsimons
0274 86 86 77