

Hon Steve Maharey
Associate Minister of Education (Tertiary Education)



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Media Statement

Newsflash!!! – Act MP confirms the blindingly obvious

'Revelations' by Act MP Muriel Newman that more New Zealanders have used the student loan scheme to gain an education since 1999 and that total student debt has grown in the intervening years will surprise no one, says Associate Education (Tertiary Education) Minister Steve Maharey.

The proportion of students choosing to use the Student Loan Scheme has remained relatively static in recent years, contradicting Dr Newman's claims that the government has encouraged young people to get in to debt with its reforms to make the scheme fairer. In 1999 50 percent of eligible students took out a student loan. In 2001, the last year for which statistics are currently available, 56 percent of students took out a student loan¹.

The total outstanding student loan balance grows each year. A twelve year old loan scheme (in 2002) will of course be larger than an eight year old scheme (in 1999). This will continue to be the case until the scheme reaches maturity (when annual repayments meet annual borrowings).

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¹ *Student Loan Scheme Annual Report for the year ending 30 June 2002*. September 2002.