



## Media Release

**19 October 2004  
Attention: Education  
and Political reporters  
For Immediate Release**

### **Student loan report shows student debts getting bigger**

The Student Loan Scheme Annual Report tabled in Parliament today shows students are borrowing more from the student loan scheme and student debts are getting even bigger.

“The government’s spin on the report that loan repayments will meet borrowings sometime next decade means nothing to students and their families who faced fee hikes in 2004 and will be paying even higher fees in 2005,” said Fleur Fitzsimons, Co-President of the New Zealand University Students’ Association (NZUSA).

“Labour should stop defending the loan scheme and get real about the problems: student debt is wreaking havoc with our society and economy and no amount of government spin will make the problem go away.”

The report shows that over 12,000 more students now have debts above \$20,000 compared with same time last year.

“The government must reduce levels of debt given that the higher a student’s debt, the more likely they are to leave New Zealand.”

“The government has a massive problem on their hands: student loans are getting even bigger making the problems associated with debt like the brain drain and declining fertility among graduates even worse.”

“Urgent action is required by government to address the key drivers of student debt which are high fees and lack of access to living allowances.”

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