

**Media
Release**

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Attention: Education and
Political reporters
For Immediate Use**

Report confirms student debt contributing to brain drain

A report released by Tertiary Education Minister Dr Michael Cullen confirms what the New Zealand University Students' Association (NZUSA) has been saying for over a decade – that high student debt is contributing to New Zealand's brain drain.

"The report confirms that the larger a student's debt, the more likely they are to be overseas," said Conor Roberts, Co-president of NZUSA.

"This shows we need to stop the drivers of debt. Student debt is at astronomical levels because of high fees, low public funding of tertiary education and declining access to student allowances."

Recent data released by Statistics NZ stated that graduates who are abroad on average owed \$11,790 more (an average loan balance of \$22,640) than those assumed to be residing in New Zealand (an average of \$10,850).

"An example of this trend is in recent research on medical graduates who on average have a student loan of \$65,000, and two thirds of those surveyed plan to be overseas within three years of graduation."

Recent research on teaching graduates found that one third of those surveyed plan to leave New Zealand after three years and nearly half plan to leave after five years. Of those going overseas, half said that their student debt was the main reason they were leaving New Zealand.

"This is outrageous. New Zealand is losing our best and brightest because of high student debt which keeps them from returning home."

"The no interest on student loans policy will be good for encouraging graduates to stay in New Zealand, pay off their loan quicker and contribute to our communities. However this does not address students accruing huge amounts of debt in the first place, Conor Roberts concluded."

ENDS

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