



NEW ZEALAND UNION OF STUDENTS' ASSOCIATIONS (INC.)

TE RŌPŪ ĀKONGA O NGĀ WHARE WĀNANGA O AOTEAROA

**NZUSA**

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**MEDIA  
RELEASE**

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## **Labour's universal student allowance just what the country needs!**

Tertiary students throughout the country are celebrating today following Prime Minister Helen Clark's announcement that Labour will deliver a universal living allowance for all full time students should they be in a position to form the next government following election day. The new policy was unveiled to a packed Otago University auditorium this afternoon, and NZUSA Co-Presidents Liz Hawes and Paul Falloon were ecstatic at the announcement.

"This is brilliant news and will be welcomed by hundreds of thousands of students who will no longer have to borrow to live. Student debt has been having significant negative effects on the New Zealand economy and society, so we congratulate Labour for recognising this and delivering a sensible and fair policy that looks to the future sustainability of the nation", said Paul Falloon, Co-President of the New Zealand Union of Students' Associations (NZUSA).

"A universal student allowance recognises the unfairness of expecting students to be dependent on their parents till they are 25, and just how unrealistic and unworkable the current policy has been", said Co-President Liz Hawes.

Today's announcement finally signals an end to a significant amount of the \$10billion of debilitating debt held in the community. Currently only around a third of students receive an allowance, with two thirds excluded due to parental-income means-testing till the age of 25. As a result many must borrow simply to cover basic living costs. The new scheme will be phased in over a three year period culminating in a living allowance for all full time students by 2012, and follows years of lobbying by student representatives.

"At a time when New Zealand is suffering chronic skills shortages in areas such as teaching, nursing, engineering and medicine, a policy to limit debt in the first place will help keep many skilled graduates at home rather than losing them overseas," said Falloon. "Finally one of the major political parties has shown that not only have they heard the calls of student representatives, students and their families and industry groups but they are prepared to show the leadership needed to fix things," concluded Hawes.

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