



NEW ZEALAND UNION OF STUDENTS' ASSOCIATIONS (INC.)

TE RŌPŪ ĀKONGA O NGĀ WHARE WĀNANGA O AOTEAROA

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MEDIA RELEASE

22 May 2008
Attention: Education and Political
reporters
For Immediate Release

Government Budget tinkering, students still sinking

Today's Budget announcements are a mixed bag for students, promising some relief for a lucky few, but overall will do little to fix the vast problems facing the majority of students and New Zealand's growing student debt problem.

"This Budget shows no forward thinking or meaningful change in policy development and is virtually maintaining the inadequate status quo. The most significant development has come from a minor party's agreement and is not the motivation of Labour itself, which leaves very little hope for longer term progress on student support," said Paul Falloon, Co-President of the New Zealand Union of Students' Associations (NZUSA).

Budget initiatives in the area of student support include a ten percent increase in the parental income threshold for a full student allowance, a lowering of the age limit for parental income means-testing to 24 years, an increase in Bonded Merit Scholarships and the indexing of the student loan living costs component by \$5 per week.

"The movements in parental income thresholds today are merely tinkering and will barely be noticed by many students. Small increases such as this simply create a few more 'potential' partial allowances – and we know that with the other punitive rules regarding student allowances continuing, many students won't even be able to access the few dollars more a week this announcement claims to offer", said Falloon.

"Parental income means-testing for student allowances till the age of 24 is just as arbitrary, inefficient and inappropriate as it was yesterday when government policy saw it go till the age of 25!" continued Falloon, "While on the surface this may seem a positive step to include more students, what is noticeably lacking is a rationale for this policy or a long term view."

NZUSA advocates for the introduction of a universal student allowance as the only fair and sustainable solution to New Zealand's growing student debt problem. While some positive steps have been made today, without any concrete commitment or desire from the two main political parties to fix the problems, students and graduates are left sinking in debt and wondering how bad things have to get.

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