

**MEDIA  
RELEASE**

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Attention: Education and Political  
reporters  
For Immediate Release

## **A step to the right – students say Treasury Briefing is a time warp**

Student representatives are outraged at Treasury's Briefing to the Incoming Minister of Finance dismissing the negative consequences of the Student Loan Scheme, and are urging the National-led government to instead consider the raft of evidence proving the scheme's inefficiency and inequity.

"We are deeply concerned at the flawed advice Treasury is presenting to the Minister. Policies of under-investing in student support were implemented in the 1990s and failed, directly contributing to the \$10billion debt now owed by students and graduates", said Sophia Blair, Co-President of the New Zealand Union of Students' Associations (NZUSA). "A creative solution to addressing the drivers and result of this debt is what is now needed – fully publicly funded tertiary education".

"Treasury's ludicrous suggestion that a generation burdened by debt is insignificant is out of touch with the harsh reality for many kiwis and their suggestion to increase the already high repayment rate shows contempt for the position of average New Zealanders. This would take much needed money directly out of the pockets of struggling families," added Blair.

NZUSA's debt casebooks and triennial Income and Expenditure Survey clearly show that student debt is a significant negative factor in the social and economic decisions and options of graduates.

"Particularly concerning and insulting are Treasury's assertions regarding the consequences of student debt. A generation of skilled New Zealand graduates have been lost offshore and further to this, they've had to delay parenthood and have been blocked from buying their first homes due to high student debt", said Jordan King, Co-President of the New Zealand Union of Students' Associations (NZUSA). "Government would do well to listen to the experiences of those living with student debt rather than following ill-informed and misguided theory," said King.

"During a time of recession New Zealand needs investment in our people to get us through – as learners, workers and consumers," said King. "Rather than short-sighted, punitive policies that will see precious and scarce income lost to ordinary workers, we urge the government to address the need for increased investment in public education to ensure the future social and economic capital of the country," concluded King.

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