

**Media
Release**

**24 May 2001
Attention: Education and
Political reporters
For Immediate Release**

BUDGET COMMENT

Government offer enough to freeze fees

The New Zealand University Students' Association (NZUSA) is today calling on tertiary institutions to accept the funding increase offered in the government budget.

"The government's offer was by no means generous, however we believe that a 2.8% increase in funding is enough for another year of fee stabilisation and should be accepted," said NZUSA Co-President Andrew Campbell.

"We think it's outrageous that eight managers think that they can dismiss the public support for stabilising fees and their own legal obligations to have university councils make decisions on setting fees. The signal from the VCs that they will reject the offer is anti-democratic and goes against the will of students and the public."

"The bottom line for students is that fees cannot increase any more. We can't understand why tertiary institutions could afford to spend \$274 million on capital works and \$22 million on marketing last year alone, have run surpluses of \$156 million over the past four years, yet they say that keeping fees stable is an impossible feat", said Campbell.

"NZUSA has always argued for more money to be put into the sector and we will continue to do so. However we believe that redirecting funds back into academic departments and staff is the best way to ensure quality is maintained. Fees increased throughout the 90s and standards still dropped, so there is no guarantee a fee increase will achieved desired quality outcomes," said Campbell.

The government also announced today its response to the Tertiary Education Advisory Commission (TEAC), and the end of the competitive era in tertiary education in the form of the permanent Tertiary Education Commission (TEC). This new era will mean that funding can be redistributed away from unnecessary competition and duplication and towards academic excellence.

NZUSA welcomes the creation of the permanent TEC and the allocation of extra funding for centres of research excellence. "This new package means that the fee freeze is easier to accept. As the Government has said this year's offer is to maintain the institutions during the process of change in the sector. We will be pushing the Government to include new funding targeted effectively at excellence and access in next year's budget," said Andrew Campbell.

ENDS

For further comment

Andrew Campbell Cell: 025 86 86 77 Work: 04 498 2500