

# Media Release

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**Attention: Education and**  
**Political Reporters**  
**For Immediate Release**

## **Government should match WestpacTrust student loan deal**

The New Zealand University Students' Association is calling on the government to cut student loan interest rates to better a deal WestpacTrust is offering graduates.

WestpacTrust announced today its graduate loan package that will make up to \$20,000 available to students to pay off their government loans. The WestpacTrust package offers low interest rates over a three-year period. If the loan is not paid within that period the rate will revert to the interest rate charged by the government plus 1% - on current rates that would total 8% per annum.

"If a business like WestpacTrust can charge graduates such low interest rates, then why can't the so-called student friendly government cut their interest rate from 7%?" said NZUSA Co-President Andrew Campbell.

"Helen Clark said yesterday that the country needs more educated and skilled people and that the government will do everything in its power to see that we have them. Here's one thing that the government can do immediately – stop charging interest on student loans."

"Students are still waiting to hear what the interest rate on student loans for the coming year will be. Anything less than a cut in interest rates will be viewed as a slap in the face by students in light of the WestpacTrust move".

NZUSA has some concerns about the new WestpacTrust graduate package and is advising students to investigate it very carefully before making any commitments.

"The scheme looks very generous on the surface. However only very highly paid graduates with small student loans will be able to pay off \$20,000 in under three years" said Campbell. "We don't want to see graduates stuck with a debt to WestpacTrust after three years with harder repayments than in the public scheme".

NZUSA will be seeking a meeting with WestpacTrust to discuss the details of their graduate package.

**ENDS**

**For further information**



New Zealand University Students' Association (Inc)

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