



Briefing Note: Student Loan Scheme quarterly report for April to June 2023

To:	Hon Jan Tinetti, Minister of Education		
Date:	10 August 2023	Priority:	Medium
Security Level:	In Confidence	METIS No:	1314907
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Messaging seen by Communications team:	No	Round Robin:	No

Purpose and Summary

The Student Loan Scheme quarterly report, along with the Student Scheme Loan annual report, ensure that the impact of student loan policies and processes can be monitored in a timely and effective manner. The Government also requires agencies to make information about student loan borrowing and repayments publicly available at quarterly intervals.

This briefing note covers:

- the financial performance of the Student Loan Scheme (the Scheme) in the April to June 2023 quarter, including key trends relating to borrowing and repayments for New Zealand and overseas-based borrowers;
- an overview of operational initiatives underway; and
- agencies' release of key statistics related to the Scheme.

Recommendations and Proactive Release

The Ministry of Education recommends you:

1. **forward** this report to the Honourable Carmel Sepuloni, Minister for Social Development and Employment, and the Honourable Dr Deborah Russell, Associate Minister of Revenue.
2. **agree** that the Ministry of Education release this briefing in full once it has been considered by you, in consultation with the Ministry of Social Development and Inland Revenue, and with any necessary redactions made in line with the provisions of the Official Information Act 1982.

☒ Agree / ☐ Disagree



Kieran Forde
**Senior Policy Manager
Tertiary Education**

10/08/2023



Hon Jan Tinetti
Minister of Education

12 /08/ 2023

Background

1. The Student Loan Scheme (the Scheme) is jointly administered by the Ministry of Education (MoE), the Ministry of Social Development (MSD), and Inland Revenue (IR). MoE advises Ministers on student loan policy; MSD operates StudyLink which administers student loan payments; IR oversees the repayment of these loans.

Borrowing: April to June 2023

2. There were 70,500 active borrowers this quarter which is a reduction of 5,448 (7.2%) compared to the same quarter last year.
3. The total amount borrowed in the quarter was \$247.1 million, which is an increase of \$870.4 thousand (0.4%) compared with the same quarter last year. This represents an increase of \$4.7 million (2.8%) in borrowing for living costs, offset by decreases of \$2.5 million (3.6%) in borrowing for fees, and \$1.3 million (11.5%) in borrowing for course-related costs. While the number of students borrowing decreased across all components compared to the same quarter last year, the average amount borrowed per student for living costs increased by \$282, leading to the overall increase in borrowing.
4. The decrease in borrowers we are seeing is a continuation of a post COVID-19 declining trend, that likely reflects people resuming pre-pandemic habits. This follows an increase in both borrowers and the amount of student support sought during the peak of the pandemic.

Number of borrowers and balances to 30 June 2023

5. The number of people with a loan and the nominal balance has dropped. At the end of June 2023 there were 635,235 student loan borrowers with balances totalling \$15.93 billion. This represents a reduction of just over 23,000 loans (3.5%) and \$198 million (1.2%) compared with the same quarter last year.
6. The percentage of borrowers who are New Zealand-based fell from 84.4% to 83.5%, reflecting 25,000 fewer New Zealand-based borrowers (NZBBs) and just over 1,900 more overseas-based borrowers (OBBs).

Repayments: April to June 2023

7. Across both NZBBs and OBBs, 83.1% were meeting their repayment obligations against IR's performance target of 85%. Overseas-based compliance sits at 26.4% up slightly on last year, while New Zealand compliance remains high at 94.3% but slightly lower than last year. Repayments to IR have increased this quarter compared to the same quarter last year.
8. Repayments from NZBBs are up slightly on the same period last year even though borrower numbers have fallen 4.5% over the year (1.7% this quarter).
9. Repayments from OBBs rose by 14% on the same period last year, with \$39.9 million collected this quarter, reflecting both an increase in people with an overseas repayment obligation and an increase in compliance activity.

10. IR has seen a small increase in hardship applications from NZBBs who have deductions from salary and wages compared to the same quarter last year, but numbers remain significantly above 2021 levels.

Applications for lower deductions from salary and wages	Apr-Jun 2021	Apr-Jun 2022	Apr-Jun 2023
Total	747	2170	2233

Overdue repayments

11. The number of borrowers with overdue repayments has increased slightly compared with the same quarter last year but the value of their debt has increased by 9.3%.
12. The growth in borrowers with overdue repayments is due to a 3.1% increase in NZBBs with overdue amounts. This is due mainly to more borrowers not paying their assessments by the due dates of the 7th of February and 7th April (for those with Tax Agents). Student loan New Zealand debt, while growing over the past year, has grown at a slower rate than overdue individuals' income tax.
13. OBBs account for 72.0% of borrowers with overdue amounts and 92.4% of the amounts overdue (\$2.2 billion).
14. Over the past quarter, the number of OBBs in default reduced by 6,900 and is now the lowest it has been since August 2022. Over this period IR has increased its compliance activity including:
- a. a campaign to borrowers who had missed the 31 March repayment due date with the aim to encourage them to get back on track. IR also wanted to test a hard-line message to see if it resulted in increased engagement and payments, compared to the standard reminder message. The campaign generated an estimated \$2.27M in additional payments.
 - b. recommencing sending cases to third-party providers to get up-to-date contact details of OBBs, with 9,600 cases being sent in quarter four. This will allow IR to engage with them about meeting their repayment obligations. Initial results from the portion of borrowers contacted so far have been promising and has contributed to an increase in compliance for this borrower group.
 - c. in addition to payments that have been received, IR has seen an increase in arrangements being set up for OBBs. During the last quarter, these borrowers entered in to 2,288 arrangements (up from 929 for the previous three months and 1,042 for the same period last year).
15. The percentage of OBBs with overdue debt has also decreased compared with the same quarter last year, reflecting the growth in OBBs and a small drop in those in default, but the value of the overdue debt has increased by 9.2% compared with the same time last year. This is because 84% of OBBs in debt have been outside New Zealand for more than five years and interest, late payment interest and the amount of assessed loan that is overdue is continuing to grow. The longer a borrower is out of New Zealand, the less engaged they are with their student loan, and the harder it is to stay in touch with the borrower and collect outstanding payments.

16. The following table shows that overdue repayments are heavily impacted by age default with 87% of OBBs default being more than two years old.

Age of overdue repayments by location				
Age of overdue repayments	New Zealand-based borrowers		Overseas-based borrowers	
	\$ million	Percent	\$ million	Percent
0-1 month	\$0.1	0.07%	\$0.1	0.00%
2-3 months	\$14.2	8.43%	\$0.9	0.05%
4-6 months	\$8.1	4.84%	\$66.6	3.26%
7-12 months	\$2.3	1.39%	\$61.6	3.02%
1-2 years	\$15.5	9.25%	\$129.6	6.34%
2-5 years	\$34.5	20.51%	\$412.5	20.19%
5-10 years	\$56.8	33.77%	\$769.1	37.65%
>10 years	\$36.5	21.74%	\$602.4	29.49%
Total	\$168.1		\$2,042.7	

Planned activity for 2023-24

17. Student loan borrowers are based in at least 100 countries across the world and additionally there are approximately 43,000 whose whereabouts are unknown. In addition to the compliance activity outlined above IR:
- have established a legal enforcement team who will be working on tailored interventions based on the borrower's situation such as overseas-based defaulters who own property in New Zealand.
 - are engaging with the Australian Tax Office (ATO) about receiving income data for borrowers residing in Australia that will assist in the collection of their student loans. IR has received some information about ATO policy settings for managing overdue repayments from OBBs and how they manage overdue debt owed by student borrowers. IR is reviewing this information and may seek to follow up on some aspects if required.
 - are working to automate some of the information received through regular data matching on passport renewals with the Department of Internal Affairs, and arrival and departure information from NZ Customs. This could include automated messaging to proactively contact customers through SMS and emails and prompt them to update their address and contact information in MyIR; and
 - are planning bespoke marketing campaigns throughout this year, again targeting a more diverse range of borrower groups based on their situation.

Release of Student Loan Statistics

18. Quarterly Student Loan Statistics will be published on IR and MSD's respective websites during the week beginning 21 August 2023. A copy of the statistics is attached in the annexes.

Annexes

The following are annexed to this paper:

Annex 1: MSD statistics for publication on website

Annex 2: IRD statistics for publication on website

Proactively Released

Annex 1: MSD statistics for publication on website



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Proactively Released

Annex 2: IRD statistics for publication on website



IR student loan
quarterly stats Q4 2020

Proactively Released

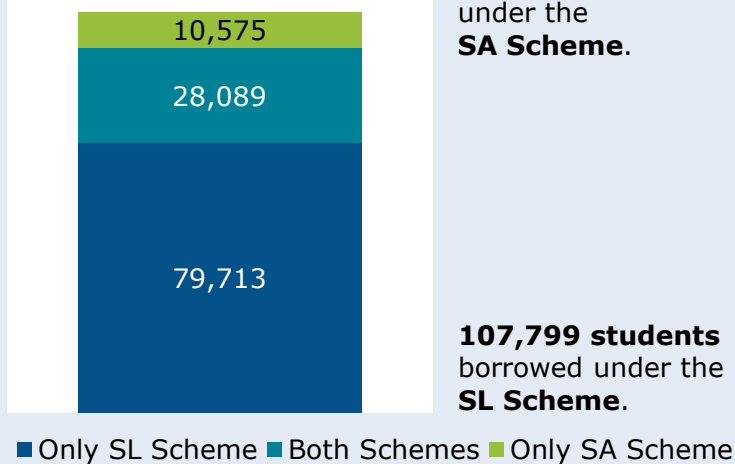
1 Snapshot | January to June 2023

1.1 Number of students under Student Loan (SL) and Student Allowance (SA) Schemes 2023

118,377 students received student support.

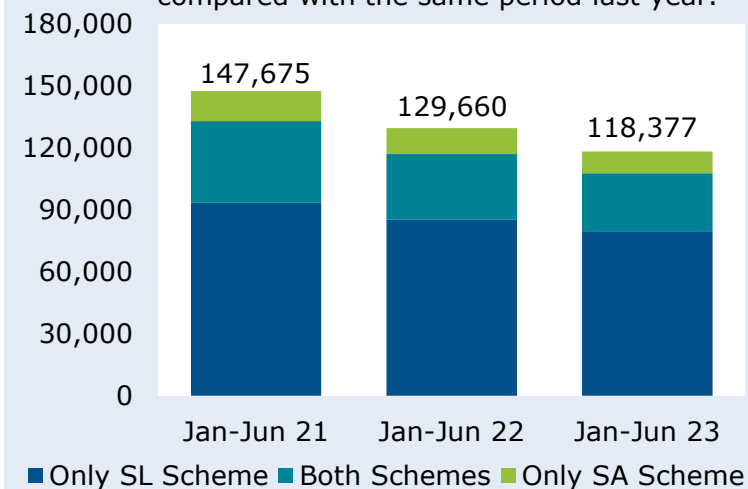
38,664 students received support under the **SA Scheme**.

107,799 students borrowed under the **SL Scheme**.



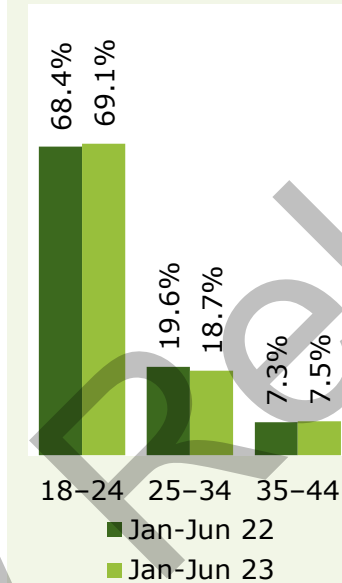
1.2 Number of students under SL and SA Schemes 2020 to 2023

11,283 fewer students (down 8.7 percent) received student support compared with the same period last year.

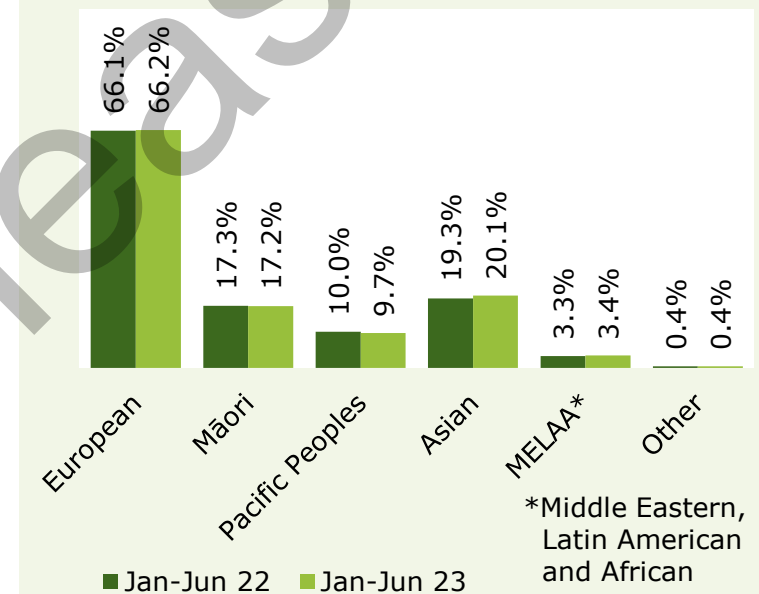


2 Students' profile

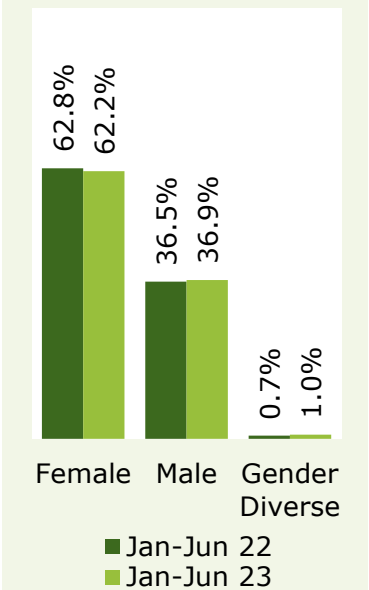
2.1 Selected age groups



2.2 Total Response Ethnicity

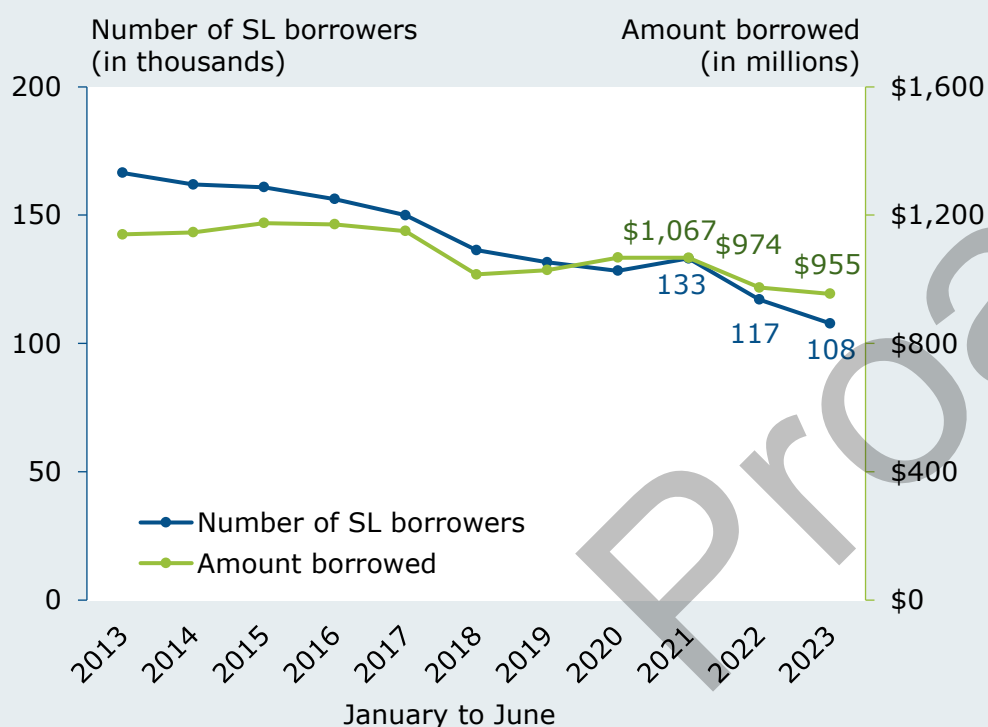


2.3 Gender

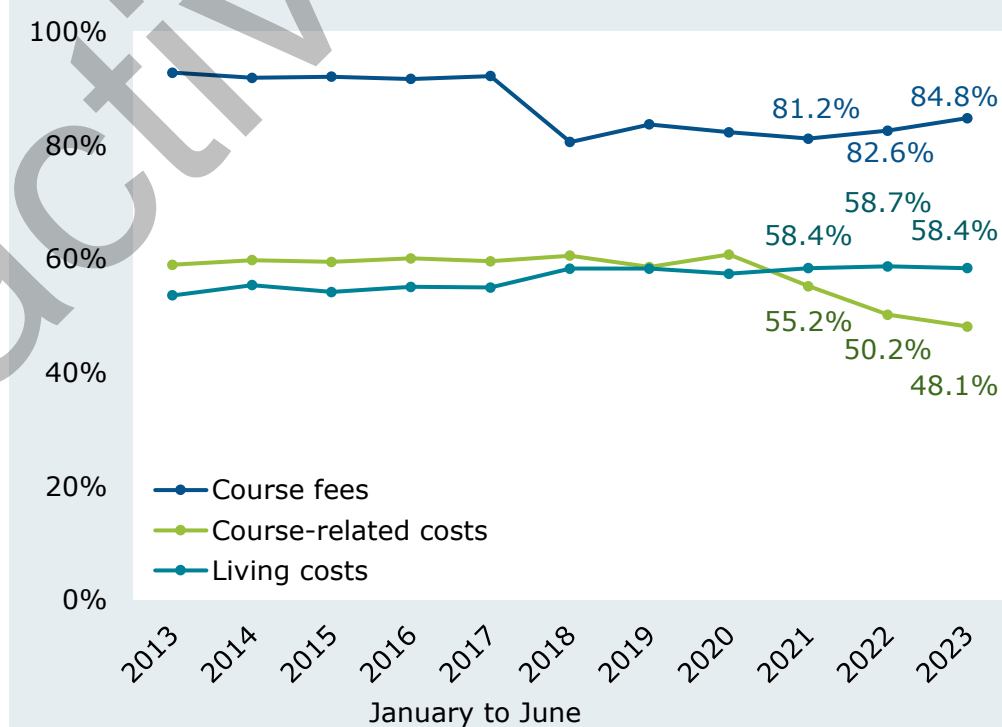


3 Long-term trends – Student Loan | January to June 2013–2023

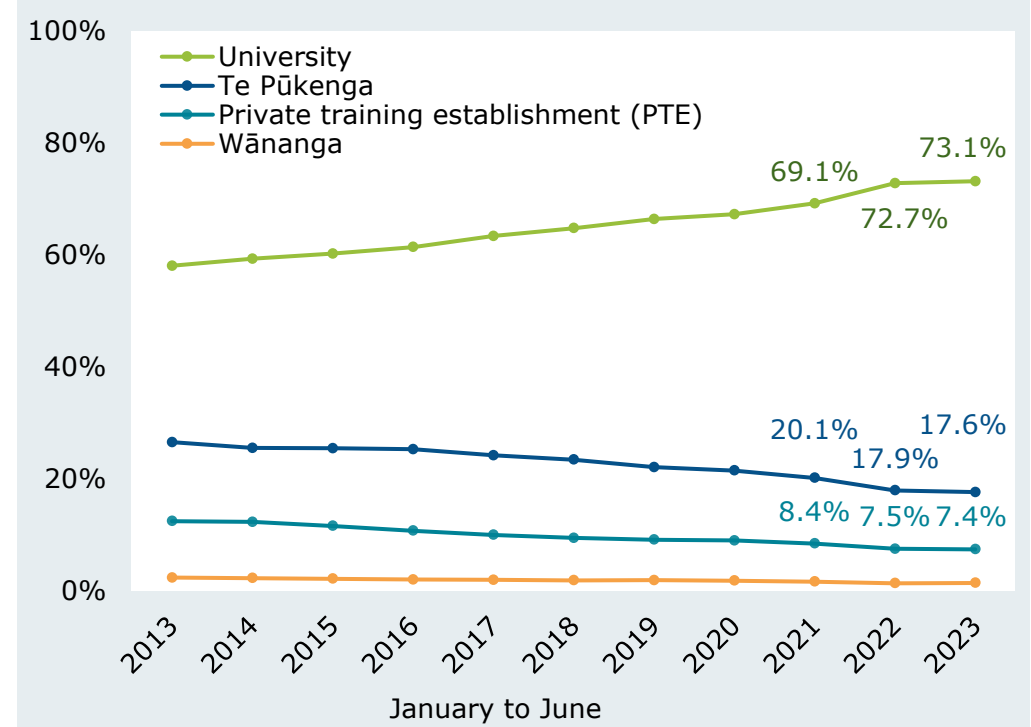
3.1 Number of SL borrowers and amount borrowed



3.2 Proportion of SL borrowers by SL component

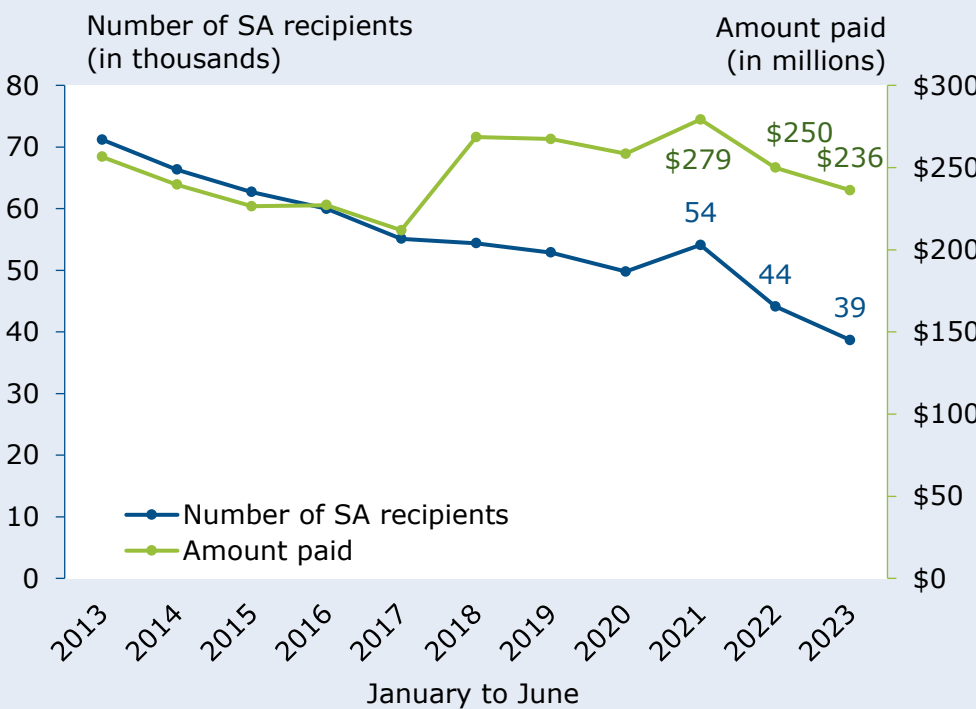


3.3 Proportion of SL borrowers by type of education provider

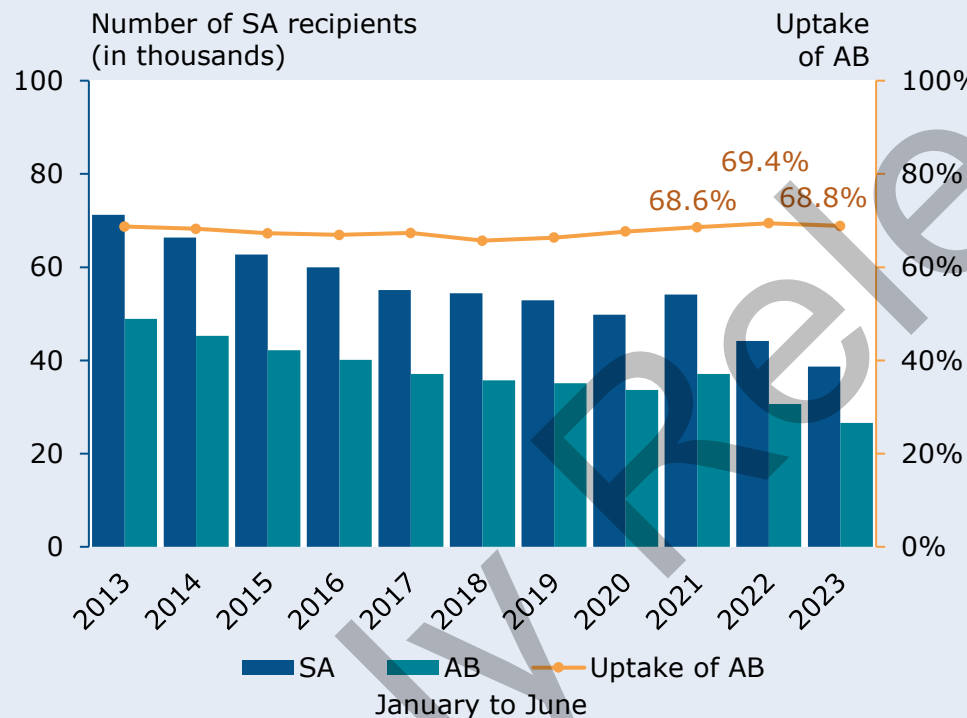


4 Long-term trends – Student Allowance | January to June 2013–2023

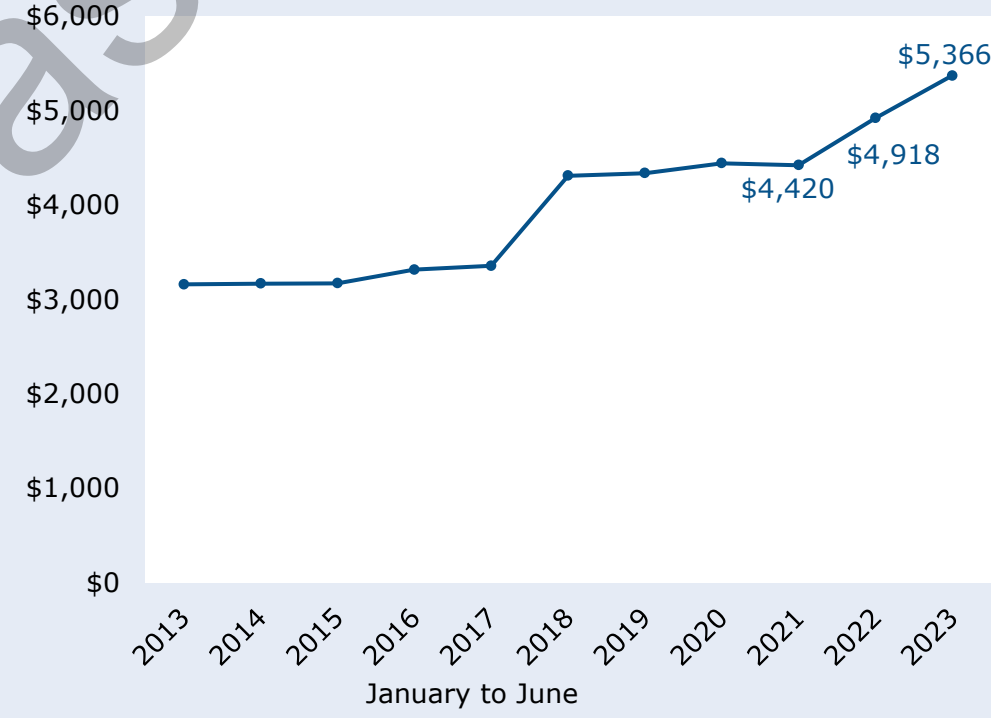
4.1 Number of SA recipients and amount paid



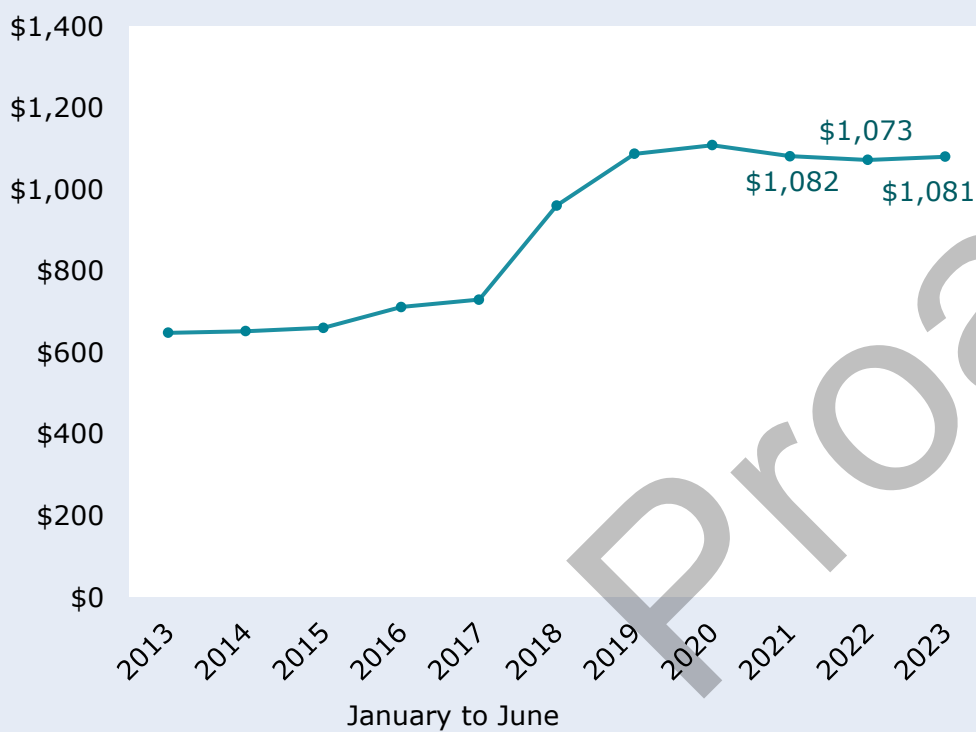
4.2 Number of SA recipients received and uptake of Accommodation Benefit (AB)



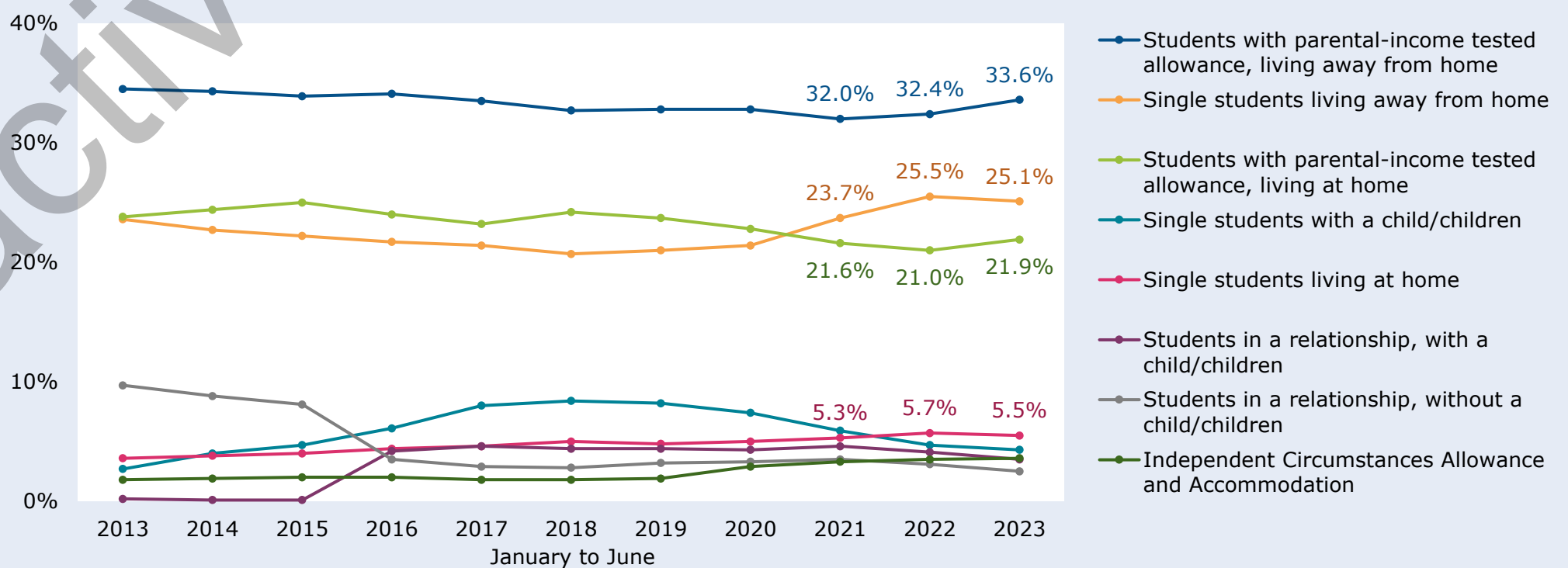
4.3 Average SA amount paid to SA recipients



4.4 Average AB amount paid to SA recipients



4.5 Proportion of SA recipients based on personal and family circumstances



i

Other resources and websites

Detailed reports and downloadable Excel files

are available at the Ministry of Social Development website (www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/studylink/index.html).

Inland Revenue's **Student Loan Scheme quarterly reports** on loan repayments are available at the Inland Revenue website (www.ird.govt.nz/about-us/tax-statistics/student-loan-scheme).

Information on how we report **Total Response Ethnicity** is available at the Ministry of Social Development website (www.msd.govt.nz/about-msd-and-our-work/tools/how-we-report-ethnicity.html).

Information and eligibility criteria for the government's **Fees Free policy** are available at the Fees Free government website (www.feesfree.govt.nz).

An **online calculator** and information on **extra support to help students** are available at the StudyLink website (www.studylink.govt.nz/products/rates/calculators/index.html and www.studylink.govt.nz/starting-study/whats-available/extra-help.html).

Information on **scholarships and other financial help** is available at the Ministry of Education website (www.education.govt.nz/further-education/information-for-students/scholarships).

More information to **support tertiary education providers** is available at the Tertiary Education Commission website (www.tec.govt.nz).



Student Allowance

January to June 2023

The [Student Allowance Scheme](#) provides financial assistance for full-time students who are enrolled in a recognised course of study or programme, at an approved education provider. It is paid weekly to help students with their living expenses.

For this report, a student is defined as a person who received at least one payment from [StudyLink](#) in the calendar year, up to the end of the specified reporting month. The data in this report are cumulative calendar year-to-date figures. Amounts are rounded to the nearest dollar and all percentages are computed using actual data and rounded to one decimal point. Total percentages may not add up to exactly 100 percent because of rounding effects. In line with the Ministry of Social Development's confidentiality policy, all information in this document has been randomly rounded to base three. The last three years of data and annual comparisons are presented in summary tables. Earlier figures are included in the Student Allowance data file.

1

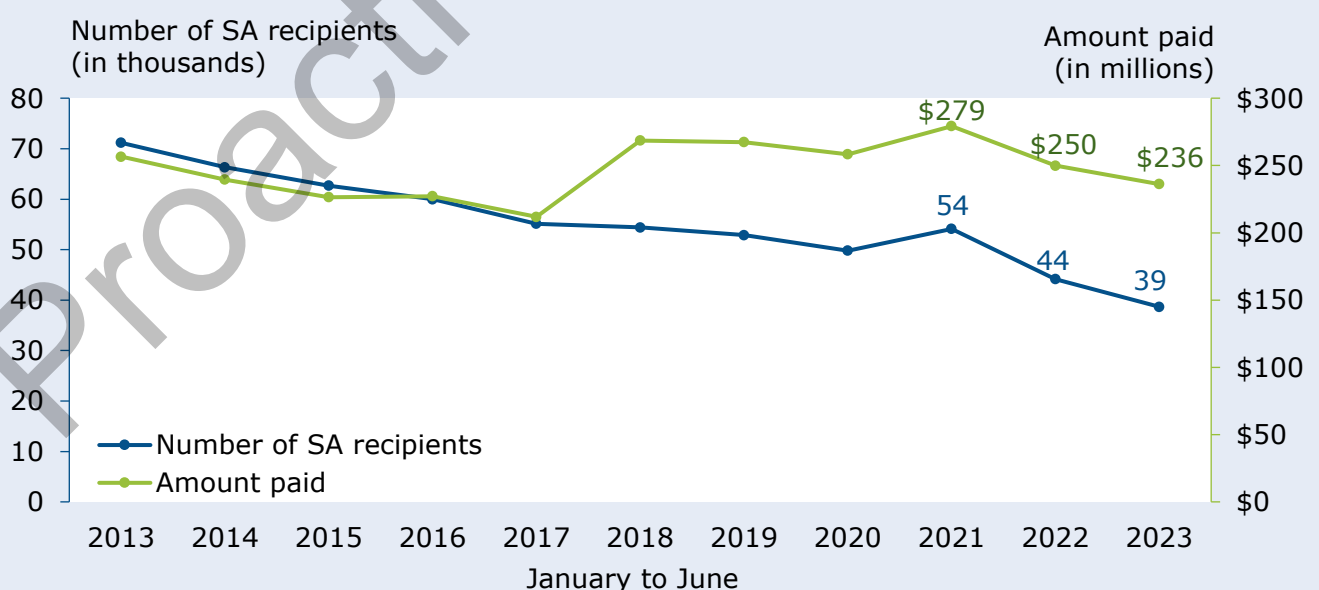
Number of recipients and amount paid

The number of SA recipients reduced across all education provider types.

From January to June 2023, 38,661 students received financial assistance under the Student Allowances (SA) Scheme. This was 5,484 fewer students (down 12.4 percent) when compared with the same period last year.

A total of \$236.2 million was paid for SA and Accommodation Benefit (AB) from January to June 2023, a decrease of 5.5 percent when compared with the same period in 2022.

Figure 1.1: Number of recipients and amount paid for SA and AB, January to June 2013–2023





On average, students received \$5,366 in SA payments from January to June 2023. This was 9.1 percent more than students received, on average, in January to June 2022.

From January to June 2023, students who were also entitled to AB received \$1,081 on average, up 0.7 percent from the same period last year.

Below is a summary table with year-on-year comparisons over the last three years.

Table 1.1: Number of recipients, amounts paid, and average amount paid

Student Allowances	January to June			Annual change	
	2021	2022	2023	2021-22	2022-23
Student Allowance	54,108	44,145	38,661	-18.4%	-12.4%
Accommodation Benefit	37,092	30,651	26,616	-17.4%	-13.2%
Total number of recipients	54,108	44,145	38,664	-18.4%	-12.4%
Amount paid for Student Allowance	\$239,154,365	\$217,084,408	\$207,447,786	-9.2%	-4.4%
Amount paid for Accommodation Benefit	\$40,135,291	\$32,876,048	\$28,766,091	-18.1%	-12.5%
Total amount paid	\$279,289,656	\$249,960,456	\$236,213,877	-10.5%	-5.5%
Average Student Allowance	\$4,420	\$4,918	\$5,366	11.3%	9.1%
Average Accommodation Benefit	\$1,082	\$1,073	\$1,081	-0.8%	0.7%

Note 1: Not every SA recipient is eligible for AB.

Note 2: From 1 April 2022, student allowances rates increased by \$25 per week (in addition to the annual inflation adjustment) which will have had an impact on student allowances payments made in the January to June 2023 period. Where the allowance rate reflects the living expenses of two adults, the increase is \$50 a week.

2

Education providers

The number of SA recipients reduced across all education provider types.

There were fewer Student Allowance (SA) recipients in each type of education provider between January and June 2023 than there were in the same period in 2022.

The largest reductions in SA recipients were in University and Te Pūkenga (New Zealand Institute of Skills and Technology, formerly Polytechnics and Institutes of Technology).

From January to June 2023, 24,102 students received SA for study at University only. This was 2,283 fewer students (down 8.7 percent) when compared with the same period in 2022 (26,385).

There were 9,018 students who received SA for study at Te Pūkenga only. This was 2,001 fewer students (down 18.2 percent) when compared to the same period last year (11,019).

Table 2.1 provides a summary of the number of SA recipients by the type of provider they were enrolled in over the last three years. The SA data file includes breakdowns for the small number of students who received SA for more than one provider type during the year.

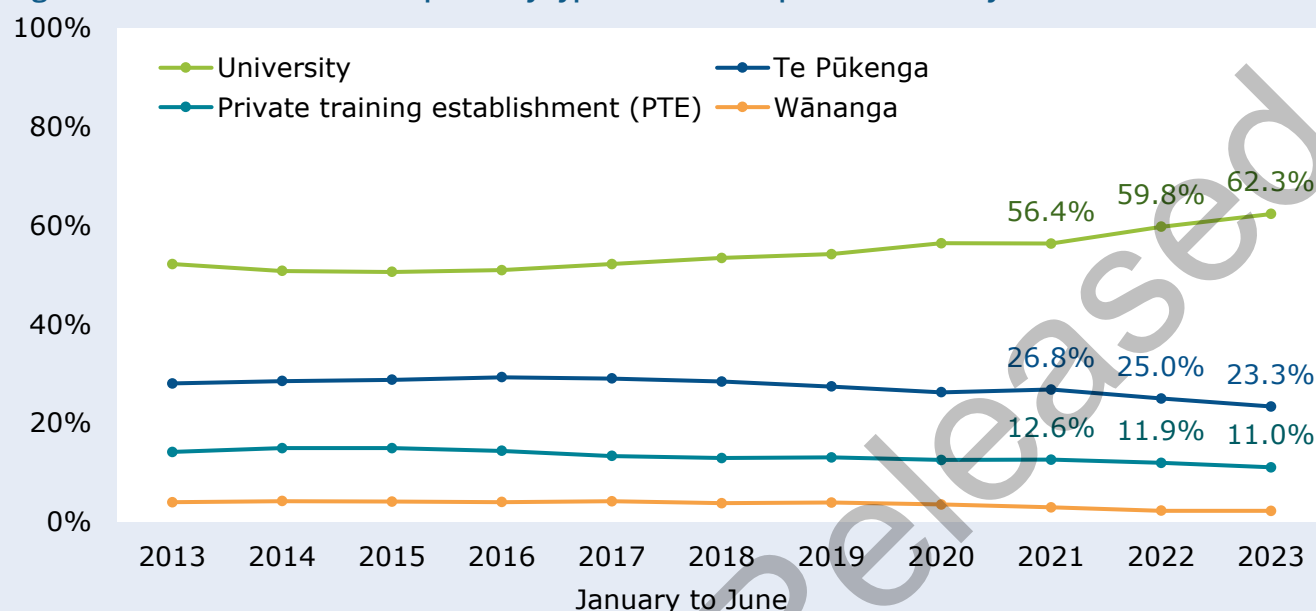
Table 2.1: Number of SA recipients by type of education provider

Type of provider	January to June			Annual change	
	2021	2022	2023	2021–22	2022–23
University	30,492	26,385	24,102	-13.5%	-8.7%
Te Pūkenga	14,487	11,019	9,018	-23.9%	-18.2%
Private training establishment (PTE)	6,804	5,259	4,260	-22.7%	-19.0%
Wānanga	1,569	975	840	-37.9%	-13.8%
Multiple and other providers	747	507	447	-32.1%	-11.8%
Total number of Student Allowance recipients	54,108	44,145	38,664	-18.4%	-12.4%

Note: “Multiple and other providers” includes combinations of providers (e.g. University and Te Pūkenga, PTE and University) that some students attended during the specified reporting period, as well as ‘other’ types of education providers such as high schools.

Proportionately, students attending only University accounted for 62.3 percent of SA recipients, followed by students attending only Te Pūkenga at 23.3 percent.

Figure 2.1: Distribution of SA recipients by type of education provider, January to June 2013–2023



Note: To avoid double counting, the figure above excludes a small number of students attending more than one provider type.

Table 2.2: SA paid to students by type of education provider

Type of provider	January to June			Annual change	
	2021	2022	2023	2021–22	2022–23
University	\$125,400,944	\$122,296,118	\$121,834,687	-2.5%	-0.4%
Te Pūkenga	\$69,559,505	\$58,765,611	\$53,147,084	-15.5%	-9.6%
Private training establishment (PTE)	\$30,854,203	\$26,495,293	\$23,875,042	-14.1%	-9.9%
Wānanga	\$8,842,075	\$6,109,228	\$5,451,669	-30.9%	-10.8%
Multiple and other providers	\$4,497,638	\$3,418,158	\$3,139,304	-24.0%	-8.2%
Total amount paid for Student Allowance	\$239,154,365	\$217,084,408	\$207,447,786	-9.2%	-4.4%

Note 1: Data does not include payments for AB.

Note 2: “Multiple and other providers” includes combinations of providers (e.g. University and Te Pūkenga, PTE and University) that some students attended during the specified reporting period, as well as ‘other’ types of education providers such as high schools.

3

Allowances paid based on personal and family circumstances

The [weekly rates for Student Allowance](#) (SA) are based on the personal and family circumstances of students, e.g., age, income of the student (and their partner if they have one), parental income for students aged under 24 years, relationship status, and other circumstances.

From January to June 2023, 25.1 percent of SA recipients were single students who were living away from home. This proportion was 0.4 percentage points lower when compared with January to June 2022.

Figure 3.1: Proportion of SA recipients based on personal and family circumstances, January to June 2013–2023

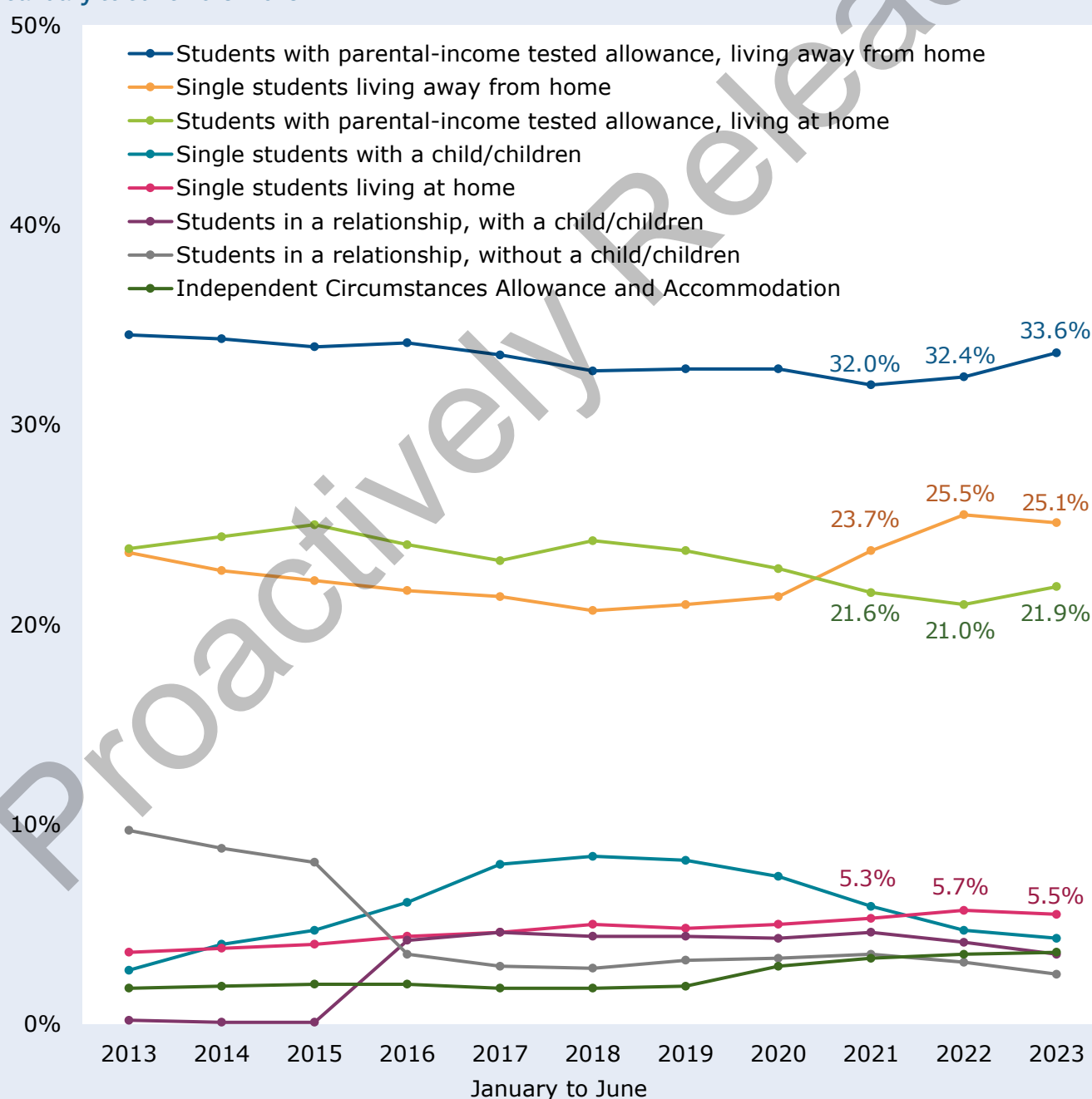


Table 3.1: Number of recipients based on personal and family circumstances

Personal and family circumstances	January to June			Annual change	
	2021	2022	2023	2021-22	2022-23
Students with parental-income tested allowance, living at home	11,709	9,270	8,484	-20.8%	-8.5%
Students with parental-income tested allowance, living away from home	17,307	14,322	12,990	-17.2%	-9.3%
Single students living at home	2,892	2,505	2,124	-13.4%	-15.2%
Single students living away from home	12,813	11,262	9,705	-12.1%	-13.8%
Single students with child/children	3,210	2,079	1,665	-35.2%	-19.9%
Students in a relationship, without a child/children	1,872	1,368	960	-26.9%	-29.8%
Students in a relationship, with a child/children	2,496	1,803	1,356	-27.8%	-24.8%
Independent Circumstances Allowance and Accommodation	1,809	1,530	1,380	-15.4%	-9.8%
Total number of Student Allowance recipients	54,108	44,145	38,664	-18.4%	-12.4%

Note: In this document, 'single' generally refers to students aged 24 years or older who are single. Under the SA scheme, a relationship is not recognised if either party is under 24 years old. Students who are under 24 are usually subject to a parental income test for SA. For more information, please see [here](#).

4

Demographics of Student Allowance recipients

The following tables provide a summary profile of SA recipients for each of the last three years, up to the month specified. As demographics may change during the year, the profile is as recorded at the end of the period. Detailed data series are available in the SA data file.

Table 4.1: SA recipients by age group

Age group	January to June			Annual change	
	2021	2022	2023	2021-22	2022-23
16-17 years	135	96	90	-28.9%	-6.3%
18-24 years	34,113	27,936	25,185	-18.1%	-9.8%
25-34 years	13,476	11,298	9,462	-16.2%	-16.3%
35-44 years	3,528	2,775	2,310	-21.3%	-16.8%
45-54 years	1,632	1,200	987	-26.5%	-17.8%
55 years and older	1,221	843	633	-31.0%	-24.9%
Total number of Student Allowance recipients	54,108	44,145	38,664	-18.4%	-12.4%

Note 1: Age is calculated as at the end of the period.

Note 2: A breakdown of "55 and older" is available in the SA data file.



Table 4.2: SA recipients by gender

Gender	January to June			Annual change	
	2021	2022	2023	2021-22	2022-23
Female	32,607	26,475	22,917	-18.8%	-13.4%
Male	21,195	17,277	15,258	-18.5%	-11.7%
Gender Diverse	303	390	489	28.7%	25.4%
Total number of Student Allowance recipients	54,108	44,145	38,664	-18.4%	-12.4%

Note: In December 2019, forms and online applications were updated to include Gender Diverse, which was not available previously.

Table 4.3: SA recipients by residential status

Residential status	January to June			Annual change	
	2021	2022	2023	2021-22	2022-23
Citizen by birth	38,682	31,527	27,879	-18.5%	-11.6%
Citizen	8,193	6,666	5,883	-18.6%	-11.7%
Permanent resident	6,693	5,523	4,506	-17.5%	-18.4%
Other	540	429	393	-20.6%	-8.4%
Total number of Student Allowance recipients	54,108	44,145	38,664	-18.4%	-12.4%

Note: "Other" includes students who have refugee status, and those classified as protected person/s. Details of "Other" are included in the SA datafile.

Table 4.4: SA recipients by relationship status

Relationship status	January to June			Annual change	
	2021	2022	2023	2021-22	2022-23
Single	48,993	40,446	35,916	-17.4%	-11.2%
Married/Civil Union	3,249	2,358	1,803	-27.4%	-23.5%
Defacto	1,860	1,335	945	-28.2%	-29.2%
Unknown	3	3	3	0.0%	0.0%
Total number of Student Allowance recipients	54,108	44,145	38,664	-18.4%	-12.4%

Note: Students with unknown marital/relationship status refer to clients who have had a change in circumstances, and their marital/relationship status has not been confirmed at the end of the period. These students would not be receiving payments while their marital/relationship status is not confirmed.



It is not mandatory for students to disclose their ethnicity and students may report more than one ethnicity.

The numbers presented in table 4.5 are total response – students who reported more than one ethnic group were counted in each group they identified with. The total number of responses therefore does not add up to the total number of SA recipients.

Table 4.5: SA responses by ethnic group

Ethnic group (Total response)	January to June			Annual Change	
	2021	2022	2023	2021-22	2022-23
European	29,700	24,882	22,011	-16.2%	-11.5%
Māori	10,497	8,079	7,113	-23.0%	-12.0%
Pacific Peoples	6,045	4,845	4,188	-19.9%	-13.6%
Asian	12,465	10,956	10,029	-12.1%	-8.5%
Middle Eastern/Latin American/African	2,124	1,857	1,755	-12.6%	-5.5%
Other	294	237	207	-19.4%	-12.7%
Total recipients with recorded ethnicity	52,077	43,209	38,178	-17.0%	-11.6%
Not specified	2,031	936	483	-53.9%	-48.4%
Total number of Student Allowance recipients	54,108	44,145	38,664	-18.4%	-12.4%

Note: A detailed breakdown of ethnic groups is included in the SA datafile.



Student Loan

January to June 2023

The Student Loan Scheme helps students to pay for course fees (compulsory fees charged by education providers), course-related costs (e.g. books, computer, travel) and living costs.

For this report, a student is defined as a person who received at least one payment under this scheme from [StudyLink](#) in the calendar year, up to the end of the specified reporting month. The data in this report are cumulative calendar year-to-date figures. Amounts are rounded to the nearest dollar and all percentages are computed using randomly rounded numbers, and then rounded to one decimal point. Total percentages may not add up to exactly 100 percent because of rounding effects. In line with the Ministry of Social Development's confidentiality policy, all information in this document has been randomly rounded to base three. The last three years of data and annual comparisons are presented in summary tables. Earlier figures are included in the downloadable Excel files.

1

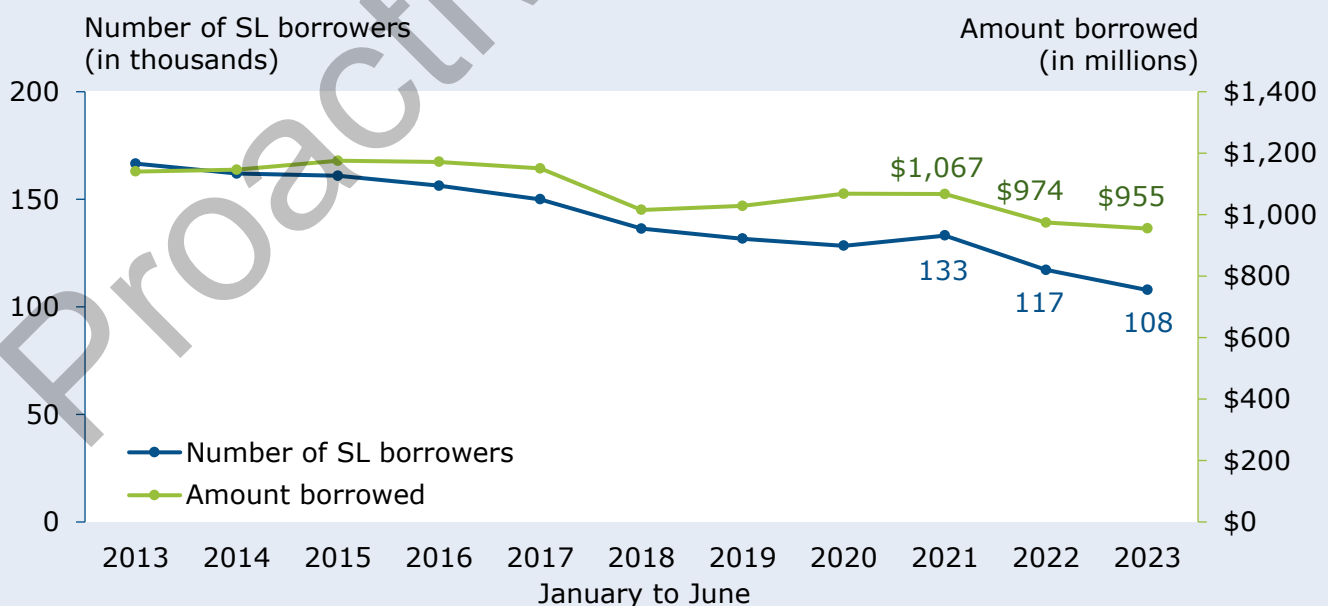
Number of borrowers and amount paid

The number of SL recipients reduced across all education provider types.

From January to June 2023, 107,799 students borrowed under the Student Loan (SL) Scheme. This was 9,297 fewer students (down 7.9 percent) when compared with the same period last year.

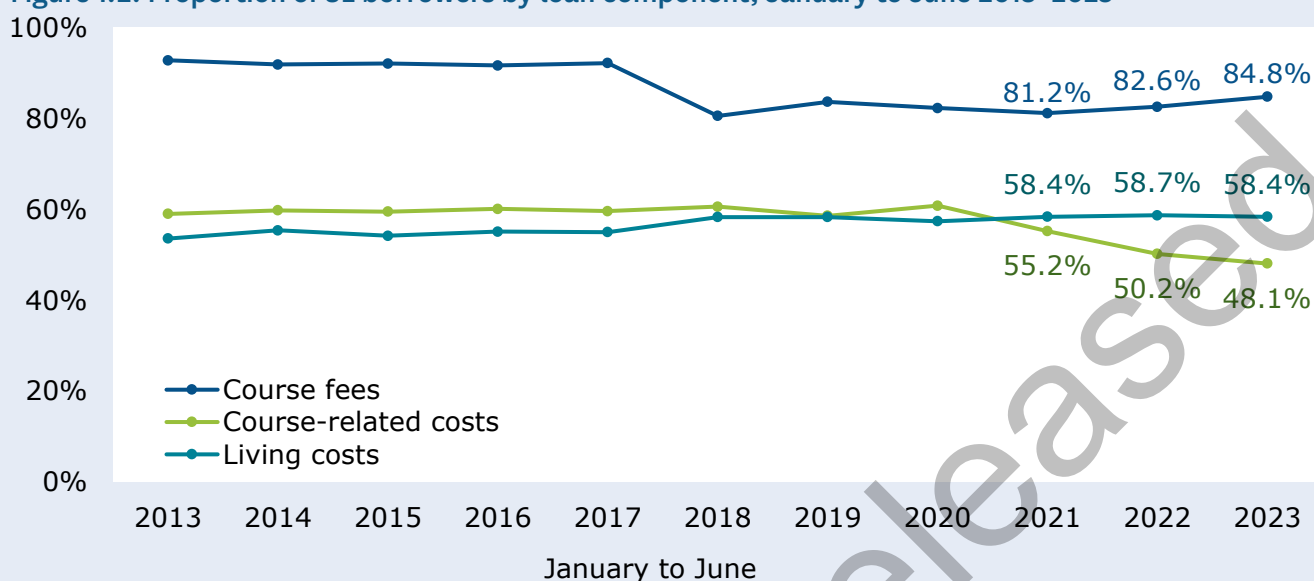
The total amount borrowed for course fees, course-related costs, and living costs was \$954.7 million, a decrease of 2.0 percent when compared with the same period last year.

Figure 1.1: Number of SL borrowers and amount borrowed, January to June 2013–2023



From January to June 2023, 84.8 percent of SL borrowers borrowed to pay for course fees.

Figure 1.2: Proportion of SL borrowers by loan component, January to June 2013–2023



Note: Course-related costs entitlement was temporarily increased in 2020 as part of the COVID-19 tertiary support package.

Below is a summary table with year-on-year comparisons over the last three years.

Table 1.1: Number of SL borrowers, amount borrowed, and average amount borrowed, by loan component

Loan component	January to June			Annual change	
	2021	2022	2023	2021–22	2022–23
Course fees	108,030	96,768	91,464	-10.4%	-5.5%
Course-related costs	73,410	58,800	51,882	-19.9%	-11.8%
Living costs	77,781	68,730	62,901	-11.6%	-8.5%
Total number of Student Loan borrowers	133,101	117,096	107,799	-12.0%	-7.9%
Amount borrowed for course fees	\$747,552,027	\$681,877,969	\$661,872,424	-8.8%	-2.9%
Amount borrowed for course-related costs	\$68,115,497	\$54,014,614	\$48,000,993	-20.7%	-11.1%
Amount borrowed for living costs	\$251,340,069	\$238,226,642	\$244,861,518	-5.2%	2.8%
Total amount borrowed	\$1,067,007,592	\$974,119,225	\$954,734,935	-8.7%	-2.0%
Average course fees	\$6,920	\$7,047	\$7,236	1.8%	2.7%
Average course-related costs	\$928	\$919	\$925	-1.0%	0.7%
Average living costs	\$3,231	\$3,466	\$3,893	7.3%	12.3%

Note 1: Loan establishment fees charged to borrowers and fees refunds from education providers are not included in the above summary, but are available in the downloadable Excel file.

Note 2: From 1 April 2022, the student loan living cost maxima increased by \$25 per week (in addition to the annual inflation adjustment), which will have had an impact on the amounts borrowed in the January to June 2023 period.

2

Education providers

The number of SL borrowers reduced across all education provider types.

Across all types of education providers, there were fewer Student Loan (SL) borrowers between January and June 2023 than there were in the same period in 2022.

The largest reductions in SL borrowers were in University and Te Pūkenga (New Zealand Institute of Skills and Technology, formerly Polytechnics and Institutes of Technology).

From January to June 2023, the number of students who borrowed SL for study at only Te Pūkenga was 18,960. This was 1,986 fewer students (down 9.5 percent) when compared to the same period in 2022 (20,946).

There were 78,789 students who borrowed SL for study at University only. This was a decrease of 6,381 students (down 7.5 percent) when compared with the same period last year (85,170).

Below is a summary table with year-on-year comparisons over the last three years.

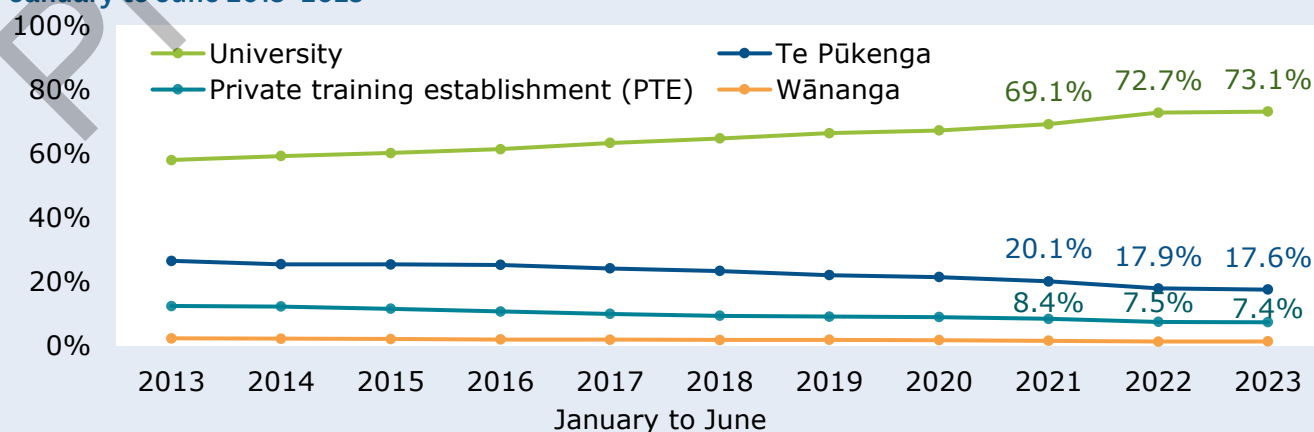
Table 2.1: Number of SL borrowers by type of education provider

Type of provider	January to June			Annual change	
	2021	2022	2023	2021-22	2022-23
University	92,016	85,170	78,789	-7.4%	-7.5%
Te Pūkenga	26,799	20,946	18,960	-21.8%	-9.5%
Private training establishment (PTE)	11,202	8,739	7,956	-22.0%	-9.0%
Wānanga	2,133	1,557	1,500	-27.0%	-3.7%
Multiple and other providers	945	687	597	-27.3%	-13.1%
Total number of Student Loan borrowers	133,101	117,096	107,799	-12.0%	-7.9%

Note: “Multiple and other providers” includes combinations of two or more provider types (e.g. University and Te Pūkenga, PTE and University) that some students attended during the specified reporting period.

Proportionately, students attending only University accounted for 73.1 percent of SL recipients, followed by students attending only Te Pūkenga at 17.6 percent.

Figure 2.1: Distribution of SL borrowers by type of education provider, January to June 2013–2023



Note: To avoid double counting, the figure above excludes a small number of students attending more than one provider type.



Table 2.2: Amount borrowed for course fees by type of education provider

Type of provider	January to June			Annual change	
	2021	2022	2023	2021-22	2022-23
University	\$564,171,916	\$529,831,785	\$507,626,533	-6.1%	-4.2%
Te Pūkenga	\$111,492,670	\$93,679,384	\$95,229,184	-16.0%	1.7%
Private training establishment (PTE)	\$61,016,428	\$49,338,367	\$50,790,959	-19.1%	2.9%
Wānanga	\$4,446,946	\$3,967,165	\$3,619,003	-10.8%	-8.8%
Multiple and other providers	\$6,424,068	\$5,061,268	\$4,606,745	-21.2%	-9.0%
Total amount borrowed for course fees	\$747,552,027	\$681,877,969	\$661,872,424	-8.8%	-2.9%

Note: “Multiple and other providers” includes combinations of two or more provider types (e.g. University and Te Pūkenga, PTE and University) that some students attended during the specified reporting period.

3

Demographics of Student Loan borrowers

The following tables provide a summary profile of SL borrowers from January to June 2023, for the last three years. Detailed data series are available in the SL data file.

Table 3.1: SL borrowers by age group

Age group	January to June			Annual change	
	2021	2022	2023	2021-22	2022-23
16-17 years	528	351	285	-33.5%	-18.8%
18-24 years	90,624	81,096	74,577	-10.5%	-8.0%
25-34 years	26,436	22,692	20,289	-14.2%	-10.6%
35-44 years	10,074	8,520	8,262	-15.4%	-3.0%
45-54 years	4,572	3,678	3,555	-19.6%	-3.3%
55 years and older	870	756	831	-13.1%	9.9%
Total number of Student Loan borrowers	133,101	117,096	107,799	-12.0%	-7.9%

Note 1: Age is calculated as at the end of the period.

Note 2: A breakdown of “55 and older” is available in the SL data file.



Table 3.2: SL borrowers by gender

Gender	January to June			Annual change	
	2020	2021	2022	2020-21	2021-22
Female	84,126	74,451	67,644	-11.5%	-9.1%
Male	48,441	41,850	39,138	-13.6%	-6.5%
Gender Diverse	534	798	1,014	49.4%	27.1%
Total number of Student Loan borrowers	133,101	117,096	107,799	-12.0%	-7.9%

Note: In December 2019, forms and online applications were updated to include Gender Diverse, which was not available previously.

Table 3.3: SL borrowers by residential status

Residential status	January to June			Annual change	
	2020	2021	2022	2020-21	2021-22
Citizen by birth	99,426	87,417	80,454	-12.1%	-8.0%
Citizen	20,781	18,438	17,295	-11.3%	-6.2%
Permanent resident	12,537	10,950	9,789	-12.7%	-10.6%
Other	354	294	264	-16.9%	-10.2%
Total number of Student Loan borrowers	133,101	117,096	107,799	-12.0%	-7.9%

Note: "Other" includes students who have refugee status, and those classified as protected person/s. Details of "Other" are included in the downloadable Excel file.

It is not mandatory for students to disclose their ethnicity and students may report more than one ethnicity.

The numbers presented in this table are total responses – students who reported more than one ethnic group were counted in each group they identified with. The total number of responses therefore does not add up to the total number of SL borrowers.

Table 3.4: SL responses by ethnic group

Ethnic group (total response)	January to June			Annual change	
	2020	2021	2022	2020-21	2021-22
European	84,828	76,707	71,526	-9.6%	-6.8%
Māori	22,947	19,548	18,006	-14.8%	-7.9%
Pacific Peoples	12,966	11,118	10,110	-14.3%	-9.1%
Asian	21,819	20,358	19,950	-6.7%	-2.0%
Middle Eastern/Latin American/African	4,011	3,660	3,456	-8.8%	-5.6%
Other	603	477	429	-20.9%	-10.1%
Total borrowers with recorded ethnicity	126,693	113,133	105,588	-10.7%	-6.7%
Not specified	6,408	3,963	2,214	-38.2%	-44.1%
Total number of Student Loan borrowers	133,101	117,096	107,799	-12.0%	-7.9%

Note: A detailed breakdown of ethnic groups is included in the SL data file.

Webstats

Number of borrowers

Number of borrowers	30-Jun-22	30-Jun-23	% change
NZB	555,606	530,550	-4.5%
OBB	102,719	104,685	1.9%
Total	658,325	635,235	-3.5%

Loan Balance

Nominal balance is the loan balance held by Inland Revenue as at end of the quarter. The balance includes:

- all outstanding loans
- any penalties, interest or fees.

Nominal loan balance	Apr -Jun 2022	Apr - Jun 2023	% change
NZBB	\$12,601,629,893	\$12,214,211,000	-3.1%
OBB	\$3,527,281,299	\$3,716,381,525	5.4%
Total	\$16,128,911,191	\$15,930,592,525	-1.2%

Median loan balance	30-Jun-22	30-Jun-23	% change
All	\$17,173	\$17,49	1.8%

Repayments

The amount repaid includes all money received:

- directly from borrowers (voluntary payments, payments from borrowers with income other than salary and wages, and overseas based borrowers)
- from employers through deductions from salary or wage earners.

Repayment types	Apr – Jun 2022	Apr - Jun 2023	% change
Repayments via employers	\$303,625,144	\$304,772,032	0.38%
Repayments via borrowers	\$110,078,982	\$114,144,869	3.69%
NZBBs	\$75,057,153	\$74,216,477	-1.12%
OBBs	\$35,021,829	\$39,928,392	14.01%
Total	\$413,704,126	\$418,916,902	1.26%

Repayment thresholds - New Zealand-based borrowers

New Zealand-based borrowers receiving salary or wages are required to repay 12 cents of every dollar earned over the pay period repayment threshold (eg, \$409 per week from 1 April 2022). The deductions are considered sufficient and do not result in additional repayments provided they are within a determined threshold. If significant under-deductions occur, the employer is required to make compulsory extra deductions.

Borrowers who earn \$500 or more of adjusted net income (income that's not salary and wages and adjustments) and whose total income including salary or wages is \$500 or more than the annual repayment threshold are required to make payments on this income. Table shows the repayment threshold by year ending 31 March (the tax year).

Tax year	2019	2020	2021	2022	2023
Threshold	\$19,448	\$19,760	\$20,020	\$20,280	\$21,268

Repayment thresholds – Overseas-based borrowers

Overseas-based borrowers repayment obligations were set to a fixed minimum based on their loan balance as at 31 March 2014 or, if they left New Zealand after this date, their departure date. The overseas-based repayment obligation will not decrease as the loan balance decreases but can increase if the loan balance increases.

Total loan balance	Repayment obligation
Under \$1000	Whole loan balance
\$1,000 and up to \$15,000	\$1,000
Over \$15,000 and up to \$30,000	\$2,000
Over \$30,000 and up to \$45,000	\$3,000
Over \$45,000 and up to \$60,000	\$4,000
Over \$60,000	\$5,000

Overdue repayments

If a borrower does not meet some or all of their repayment obligations by the due date, the amount due but not paid becomes an overdue repayment. Late payment interest is charged on the overdue amount.

Borrowers with overdue repayments	30-Jun-22	30-Jun-23	% change
NZBB	29,120	30,037	3.1%
OBB	77,492	77,048	-0.6%
Total	106,612	107,085	0.4%

Amount overdue	30-Jun-22	30-Jun-23	% change
NZBB	\$152,384,151	\$168,100,929	10.3%
OBB	\$1,870,322,538	\$2,042,737,078	9.2%
Total	\$2,022,706,689	\$2,210,838,007	9.3%