



Costs of Going to University in Aotearoa New Zealand

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Introduction

This research project compared the cost of undertaking study at a New Zealand university using data collected over six months during 2021. The research undertakes statistical analyses of 730 students income, hours worked, spending on housing and transport and study-related costs, as well as student debts, to examine variations in the cost of study for different demographic groups, levels of study and different types of enrolment and study (for example, by distance, international students and fields of study). The analysis shows there are differences in the cost of studying for different demographics including a range of ethnicities and gender. This briefing uses the initial summary of findings from this data. Future research exploring different demographic experiences with the costs of going to university will be released in due course.

Aims

The aim of this research is to provide insight into the costs of going to university in Aotearoa New Zealand, beyond fees alone, and in the differences in these costs between different demographic groups and types of enrolment and levels of study.

Findings

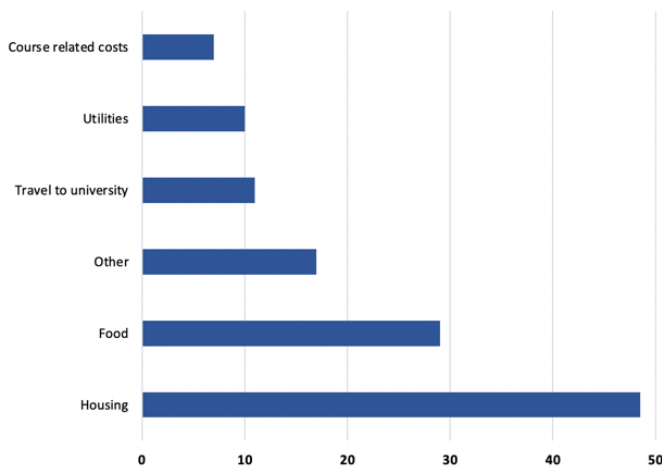
- The median income, including wages, student loan living costs, student allowances, family or partner support and any other income source is **\$801 a month. Median hours worked is 44 hours.**
- **Income from wages is higher on average for international students, part-time students and distance learning students**, compared to those studying in-person, domestic students or full-time. Hours worked is higher for distance and part-time students than in-person and full-time students.
- There is a **relationship between the number of those studying at post-graduate level and a greater frequency of receiving income from the 'other income' category**, ie. sources outside of wages, student living costs or allowance.
- For most of the students, housing is the highest expense, with a median of 48.5% cent of income going towards this, followed 29% spent on food.
- Most of the students rent (54.8%), spending a median of \$803 a month on rent, with those boarding spending \$411 on board.
- **Non-Pākehā and Pacific students spend a greater proportion of their income on food and utilities** than Pākehā and non-Pacific students.



Key Contributions

- Disaggregating income, spending and debt levels by ethnicity and gender generates understanding of inequities in access to tertiary education.
- Disaggregating findings by level of study shows the increases in various costs of study for post-graduate students.
- Differences in income, spending and debt between international and domestic students, distance learners and study fields highlight areas where financial assistance and support need increasing.

What participants spend their monthly income on (approximate % of total monthly income)



- The lowest proportion of income is spent on course costs at 7%. **Non-Pākehā, Pacific and full-time students all spend more on course costs than Pākehā, non-Pacific and part-time students.**

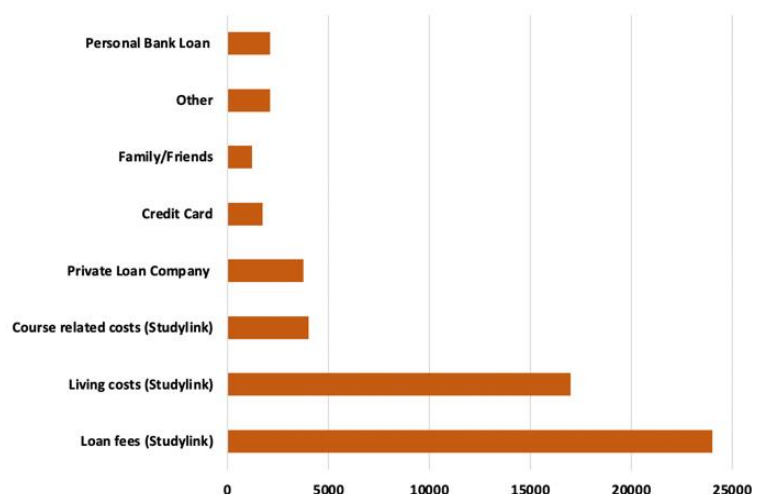
- Pacific students spend a higher proportion of their income on 'other costs'** than non-Pacific students and there is a relationship between post-graduate study and spending on 'other costs'.

- Students use **public transport to travel to university more than other modes of travel (41.1%)** and **spend an average of \$100 on public transport.** Domestic students spend more than international students on travel to university, and there is a relationship between travel expenses

and ethnicity or field of study. Non-Pākehā and Non-Pacific students spend higher amounts on public transport fares than Pākehā and Pacific students.

- In-person students, full-time students, and Pacific students spend longer travelling** to and from university on a daily basis than distance, part-time, and non-Pacific students.
- Of all types of debt, credit card debt was most common (31%),** while distance students and Māori students had higher levels of credit card debt. Median credit card debt was \$1719.
- The highest median level of debt (exclusive of Studylink debt) was to **private loan companies,** with the median of \$3746. There is a relationship between having this kind of debt and being in a higher level of study. A relationship between debt to family or friends and level of study was also found, and international students had higher levels of this than domestic students.
- Of those who had debt owed to Studylink, most students owed **course fees with a median of \$24,000 in debt.** Median debt in living costs is \$17,000 and loans for course-related costs have a median of \$4,000.
- There is a relationship between course-related costs and domestic and international students, and between ethnicities: **African, Pacific and non-Pākehā students were more likely to have higher levels of course-related costs debt.** There is a relationship between gender and field of study for levels of living costs loan debt.

Student debt including Studylink debts (median \$)



Key Policy Recommendations

- Post-graduate student allowances** should be re-instated to minimise the increased risk of high debt levels for graduate students
- Fares free public transport** would eliminate inequities in transports expenses
- Greater regulatory control and subsidies to student housing providers,** including housing and accommodation for families, would minimise the impact of this substantial proportion of students expenses
- University stipends** available to post-graduate students should be raised to support those in higher levels of study and reduce student debt.
- Student allowances** provided by Studylink should be increased and **eligibility for these widened** to avoid high levels of student loan living costs or private loan debts.

To find out more about this research, please visit: [UoA Figshare](#)

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Adapted with assistance from Holly Willson and Suzanne Woodward, PPI