



15 October 2013

Alex Hedley
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Dear Alex

Thank you for your Official Information Act 1982 (the Act) requests of 9 September 2013 and 13 September 2013 for information about student loan repayments made by medical students. As you have been advised, your first request and parts of your second request have been transferred to the Ministry of Education under section 14 (b)(i) of the Act, as the Ministry is best placed to respond to them.

Your request of 9 September 2013 was for *“information on the amount of student loan repayments received from those who are currently enrolled in or who have completed a Bachelor of Medicine/Bachelor of Surgery in New Zealand from 2008-2012”*.

The information relevant to your request, set out by tax year 2007/08 to 2011/12, is as follows:

Table 1: Student loan repayments by people who have studied or are studying for a Bachelor of Medicine/ Bachelor of Surgery

Tax year ending	Number repaying	Repayments in tax year (\$m)
31/03/08	1797	11.8
31/03/09	1977	13.9
31/03/10	2139	16.0
31/03/11	2280	16.4
30/03/12	2307	16.7

Note: Repayments for the 2012 tax year are understated because at the time the data was extracted a number of IR3 tax payers were yet to complete repayments in respect of the tax year.

Your request of 13 September 2013 was for the following information:

- *“Between 2003 to 2013, how many medical students have repaid their student loans broken down by year?
 - a. What was the mean, median, upper quartile, lower quartile and range of the amount of student loans of the medical students who repaid their student loans between 2003 and 2013 broken down by year?*

- b. *What was the mean, median, upper quartile, lower quartile and range (in months) that it took medical students to pay off their student loans since graduation between 2003 and 2013 broken down by year?*
- *“Between 2003 to 2013, how many students have repaid their student loans broken down by year?”*
 - a. *What was the mean, median, upper quartile, lower quartile and range of the amount of student loans of the students who repaid back their student loans between 2003 and 2013 broken down by year?*
 - b. *What was the mean, median, upper quartile, lower quartile and range (in months) that it took for students to pay off their student loans since graduation between 2003 and 2013 broken down by year?”*
- *“Between 2003 and 2013, how many student loan defaulters (living overseas and not currently paying off their student loans) are there broken down by year?”*
 - a. *Between 2003 and 2013, how many student loan defaulters (living overseas and not currently paying off their student loans) had borrowed for the MBChB (medical students), broken down by year?”*

I am declining this request under section 18 (e) of the Act as the Ministry does not hold the data broken down in the way in which you have requested it. However, I am able to provide you with information that has previously been collated on the repayment times of medical graduates compared with other graduates. This is as follows:

Table 2: Median repayment times by leaving year for people who have completed a qualification at bachelor level and postgraduate level compared with those who have completed a medical qualification

Last study year	Median repayment times (in years)			
	Borrowers who completed a Bachelors qualification	Borrowers who completed a Medical qualification	Borrowers who completed a postgraduate degree	who completed a
1997	6.1	3.8	4.5	
1998	7.5	3.8	4.7	
1999	7.9	3.9	4.7	
2000	7.3	3.7	4.3	
2001	6.7	2.7	4.7	
2002	7.0	5.1	5.0	
2003	7.4	5.3	4.5	

Note: Sufficient time has not yet elapsed to determine the actual average repayment times for later cohorts

This information shows that historically medical students who qualify with a bachelor of medicine repay their loans faster than other bachelor graduates. Among bachelor graduates who left study with a loan between 1997 and 2003 one half had fully repaid their loan in a little over seven years. Among bachelor of medicine graduates over the same period one half repaid their loan in a little over four years. Bachelor of medicine graduates have historically also repaid their loans quicker than people who have attained higher degrees. Among post-graduate borrowers who attained their degree between 1997 and 2003 it took 4.5 years for half to fully repay.

The following research reports may also be of interest to you:

- *Annual Student Loan Scheme Report 2012* which provides some more general information on repayment times of borrowers:
<http://www.educationcounts.govt.nz/publications/series/2555>
- *Living with a Student Loan, a profile of student loan debt and repayment, post-study income and going overseas (March 2005)*. This report analyses the post-study incomes, progress to repayment, and travel overseas of two cohorts of student loan borrowers: those who last borrowed and studied in 1997, and those who last borrowed in 1994. This shows that, historically, students studying health leave study with more debt, but have the highest post-study income and have repaid more of their debt than most other students.
http://www.educationcounts.govt.nz/publications/tertiary_education/5715
- *Going abroad: What do we know about people going overseas after tertiary study? (January 2012)*. This report profiles borrowers who go overseas and looks at the characteristics of those who return to New Zealand and of those who stay away. This report includes the field of 'health' but does not specifically identify medical graduates.
http://www.educationcounts.govt.nz/publications/tertiary_education/going-abroad-what-do-we-know-about-people-going-overseas-after-tertiary-study
- *Moving on Up (January 2013)*: This report looks at the outcomes for young people who complete a qualification in the New Zealand tertiary education system, including medical graduates. The information in this report will be updated shortly.
<http://www.educationcounts.govt.nz>

If you have any further questions about the information that the Ministry holds you may contact John MacCormick, Senior Manager, Tertiary Education Policy, ph: (04) 463 8093.

Under sections 19 and 28 (3) of the Official Information Act 1982, you have the right to ask an Ombudsman to review my decision to decline your original request.

Yours sincerely



Dr Andrea Schöllmann
Acting Deputy Secretary
Tertiary Education, International and System Performance