



Hand Up

Campaign to REINSTATE FULL ACCESS to TIA (Training Incentive Allowance) NZ

Events in recent days have necessitated further explanation of our campaign.

This campaign is not about benefit levels, or individuals.

It is about a government decision to severely restrict access to an allowance that has been [proven](#) by the Ministry of Social Development to reduce time on benefit. This campaign is about removing **some** of the identified barriers to education for the estimated 3,500 people affected by this policy change every year. It is about giving people “a hand up – not a hand out”.

There has been much [research](#) on barriers to employment for both sole parents, and individuals with disabilities. Training or re-training has been identified as a key method of reducing barriers, particularly for sole parents.

The [Training Incentive Allowance](#) assists with certain costs of this training. These are generally costs that other students do not have to bear, in particular childcare. [Childcare subsidies](#) have vastly improved in recent years, however there is still a weekly cost to parents that ARE NOT covered by the allowance.

[Benefit rates](#) are set at a level appropriate to cover basic living costs, and rightfully so. This level however does not leave much room for movement in order to meet extra (moderate to high) costs of study on a weekly basis.

Interest free student loans are of great assistance to all students, and many, if not most, beneficiaries obtain a loan for [course fees](#). Students may also add to their loan, up to \$1000 a year for [course related costs](#).

A single textbook, if purchased new, may cost in excess of \$100. As new editions are frequently printed, and required by tertiary institutes, purchasing second hand is not always an option. It is not unusual for one year’s textbooks alone to add up to close to or more than \$1000 for a fulltime student. Nursing students in particular face many [additional costs](#), uniforms, compulsory blood tests and the like. Practical work requirements necessitate higher childcare costs, travel (sometimes to other centers), and associated costs.



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Those on [student allowance](#) may [earn](#) \$192.01 before the student allowance is affected; a sole parent will find the [benefit reduced](#) if they earn in excess of \$80 per week (\$100 per week if childcare expenses are included).

Other students may borrow up to \$160.24 per week for [living costs](#), this portion of the loan is not available to beneficiaries but they do receive the basic benefit to cover basic living costs for their family.

Beneficiaries are, of course, entitled to subsidies for childcare (both early childhood and OSCAR) but CANNOT, under [current criteria](#), access any further funds via their student loan.

A serious [skills shortage](#) (see also - <http://www.workingin-newzealand.com/info/410>) has been identified in a number of areas where these people wish to study, i.e. nursing and teaching.

By assisting individuals into tertiary education in these areas, this shortage could be addressed well. In addition the “future grads” will no longer be a burden to the taxpayers of this country and, in fact, will contribute financially to this country via taxation, and socially, in traditionally respected roles in their communities.

While Training Incentive Allowance remains available to those studying at Level 3 and below on the NZQA Framework, qualifications at this level (equivalent to secondary level, e.g. high school) are not believed to greatly enhance employment prospects, or earning potential (and future taxation revenue) to avoid future need for government assistance.

As the Government has pointed out on a number of occasions since their election, Level 3 and under courses are “foundation” courses and not intended to give higher value qualifications that may lead to well paid, skilled jobs and careers.

Yes, we are in a recession, however [research](#) shows that this is in fact the very best time to upskill or train our (current and future) workforce.

We trust that we have addressed all the points raised in recent days, in relation to our campaign, and would like to re-state our invitation to discuss our campaign with the Honourable Minister Paula Bennett.