

12 August 2011

ATTORNEY-GENERAL

**LEGAL ADVICE
CONSISTENCY WITH THE NEW ZEALAND BILL OF RIGHTS ACT 1990:
STUDENT LOAN SCHEME AMENDMENT BILL**

1. We have considered whether the Student Loan Scheme Amendment Bill (PCO 15318/1.7) is consistent with the New Zealand Bill of Rights Act 1990 (the Bill of Rights Act). We understand that the Bill is likely to be considered by the Cabinet Legislation Committee at its meeting on Thursday, 18 August 2011.
2. The Bill intends to improve the value of the Student Loan Scheme and encourage personal responsibility for the loan. It amends the Student Loan Scheme Act 2011 (which is currently the Student Loan Scheme Bill and was reported back to Parliament by the Finance and Expenditure Committee on 20 July 2011) to:
 - maximise repayments from New Zealand-based borrowers by excluding losses from the calculation of income for student loan repayment purposes
 - require borrowers to provide alternative contact details to StudyLink as a condition to access the Student Loan Scheme
 - improve repayments from overseas-based borrowers by shortening the repayment holiday from three years to one and require borrowers to apply for a repayment holiday, and
 - make amendments to the pay-period assessment policy.
3. We have concluded that the Bill appears to be consistent with the rights and freedoms affirmed in the Bill of Rights Act. This advice has been prepared by the Public Law Group and the Office of Legal Counsel.

Jeff Orr
Chief Legal Counsel
Office of Legal Counsel

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