



**New Zealand House of Representatives**  
Te Whare Māngai o Aotearoa

## **Education and Workforce Committee**

Komiti Whiriwhiri Take Kuranga, Take Hunga Mahi

54th Parliament

June 2025

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# **Petition of Bex Howells on behalf of Paid Placements Aotearoa: Pay a stipend to people training in healthcare, education, and social work**

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Presented to the House of Representatives  
by Carl Bates, Deputy Chairperson

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# Petition of Bex Howells on behalf of Paid Placements Aotearoa

## Recommendation

The Education and Workforce Committee has considered the petition of Bex Howells on behalf of Paid Placements Aotearoa—Pay a stipend to people training in healthcare, education, and social work—and recommends that the House take note of its report.

## Request for paid placements for trainees in healthcare, education and social work

The petition was signed by one person on the Parliament website. It was presented to the House by Hon Jan Tinetti on 28 May 2024. It requests:

That the House of Representatives urge the Government to pay a stipend to people while they train in healthcare, education, and social work professions including nurses, doctors, midwives, teachers, social workers, and mental health professionals; and note that 16,331 people have also signed a similar online petition.

## Comments from the petitioner

The petitioner said that New Zealand is suffering from critical workforce shortages that number in the thousands in health, education, and social work services. In the past, she noted, many of these professions offered paid vocational, on-the-job training in hospitals, schools, and communities. Now, training programmes for these services begin with learning the theoretical underpinnings at universities and continue with four months to three years of compulsory, unpaid placements. The petition calls for paid training to be reinstated in healthcare, teaching, and social work professions.

## The system contributes to worker shortages

The petitioner said that “the current system is incentivising graduates to leave for better pay and conditions” and that students in these fields are expected to cover their own costs during unpaid placements. The costs include uniforms, immunisations, childcare, secondary accommodation, and travel expenses. Further, mental health trainees must pay for their own compulsory supervision and therapy. She said that the StudyLink student loan for living costs amounts to less than half the minimum wage so students cannot afford necessities such as food and medication. Students are forced to find paid work as well. The combination of time on placement, study, and paid work can add up to 80 hours a week.

The petitioner said that students of health, education, and social work accumulate significant debt, of between \$6,700 and \$17,000 a year, during their university studies. This debt, followed by the unpaid labour of placements and low salaries on completion, means that many students and workers either drop out of the study or training, emigrate shortly after qualifying, or move to a better paid profession. The petitioner told us that in 2022/23, attrition

rates were up to 37 percent in nursing, 42 percent in midwifery, and 45 percent in social work. In comparison, the attrition rate for police training, which is paid throughout, averaged 1.5 percent over the last 5 years.

The petitioner said that a global shortage of workers in teaching and healthcare, including mental health services, means that overseas recruitment is no longer a feasible long-term solution for New Zealand. She commented that some immigrants stay here long enough to gain relevant qualifications but then move to Australia for better pay and conditions.

### The proposed stipend

The petitioner said that, to ensure equal training opportunities, paid training must be implemented consistently across public services. She proposed the following rates for a stipend:

| Per student<br>(all figures before tax) | Year 1<br>training wage | Year 2<br>training wage | Year 3–5<br>living wage | Interns (medical<br>and clinical<br>psychology) |
|-----------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------------------------------|
| Current hourly rate                     | \$18.52                 | \$23.15                 | \$26.00                 | \$31.73–33.65                                   |
| Income per week                         | \$740.80                | \$926.00                | \$1,040.00              | \$1,269.23–<br>\$1,346.15                       |
| Academic year per student               | \$32,595.20             | \$40,744                | \$45,760                | \$66,000–70,000                                 |

The petitioner said that her proposed stipend would be a step towards pay parity with other public service occupations in which trainees currently receive payment, such as the New Zealand Police, the New Zealand Customs Service, the Department of Corrections, and the military. In the petitioner's view, the stipend should be paid through StudyLink to avoid unnecessary administration.

### Comments from government agencies

We requested written submissions from the Ministry of Education (MoE) and the Ministry of Social Development (MSD), and a joint submission from MoE and the Tertiary Education Commission (TEC). We asked the agencies to comment on:

- which qualifications in healthcare, education, and social work fields require work placements
- whether those placements are paid or unpaid
- the current number of learners in unpaid placements
- the duration of placements and completion rates
- support available to learners on unpaid work placements, including the availability and sufficiency of student loans
- who receives paid placements for work during study and who does not, and if any criteria apply.

## **Work placements**

MoE said that work placements are required for some qualifications, like a Bachelor of Health Science (Oral Health), Diploma in Early Childhood Education and Care, and Master of Community and Social Work. Tertiary education organisations are responsible for developing the placement components of programmes for these qualifications. This includes determining the number of placement hours. When developing programmes, tertiary education organisations must meet any standards set by statutory regulators or professional bodies like the Nursing Council. These bodies often set the education and accreditation requirements for such programmes, including placement requirements.

## **Payment for work placements**

For some professions, a professional regulator such as the Nursing Council or the New Zealand Psychologists Board sets requirements for work placements, including whether payment should be made. MoE and TEC said that where a professional regulator does not set relevant requirements, any payment for placements would be negotiated between the tertiary education organisation and host organisation.

MoE told us that no criteria are applied across all placement types, unless an employee–employer relationship has been established. This happened when the Employment Relations Authority determined that intern psychologists undertaking placements at MoE were employees and therefore should be paid.

Some regulatory bodies do not allow paid work to be counted towards placement requirements. For example, the Nursing Council does not allow paid work to be counted towards the minimum 1,100 hours of clinical experience required to qualify. Likewise, midwifery students working as maternity care assistants cannot count the time towards their required clinical hours.

## **International trends in workplace payments**

We note that from 1 July 2025 the Australian Government will introduce a four-year scheme that will support eligible students of nursing, teaching, midwifery, and social work to complete their placements. We also note that in June 2023 the European Parliament voted to ban all unpaid internships, including placements.

## **Lack of data about work placements**

TEC does not gather data on placements and said it therefore cannot provide information about the number of learners on unpaid placements or the duration of placements. Neither can it determine the qualification completion rates for learners undertaking unpaid placements. MoE said it does not collect data on which programmes may involve paid placements.

MoE and TEC said that, in 2024, 21,320 learners were enrolled in regulated health professions and social work courses that likely require placements. They said that unregulated professions typically have a placement component and that the number of learners who undertook unpaid placements in health and social work courses “will undoubtedly be higher”.

## **Dropout rates**

MoE said its most recent data from 2023 indicates that 23 percent of students dropped out of studying for health qualifications. It said that the rate of attrition from education sector study in 2023 equalled the average attrition from all fields of study, at 28 percent. When accounting for all cohorts from 1995 to 2023, both health and education had lower attrition rates than the total across all fields.

## **Financial support for students on unpaid placements**

MoE acknowledged that affordable and accessible education is important to New Zealand's economic and social wellbeing. It also recognised the effects of the rising costs of living for all New Zealanders, including tertiary learners. MoE said that the student allowance and student loans are the principal supports for students, including for learners in unpaid placements. These are adjusted yearly to account for inflation and are "not an income replacement but rather a contribution to help learners with the cost of study". Study costs are expected to be paid for by learners, their families, and the Government.

MoE said that learners are entitled to get student loans and allowances for approximately seven full-time years of study. In certain circumstances, student loans and allowances may be extended if TEC has approved unpaid practical work.

MSD told us that student loans are interest-free and are claimable for compulsory course fees, course-related costs, and living costs. MoE said that, on average, those who complete tertiary education earn enough money to pay off their student loans relatively quickly. The forecast median repayment time for borrowers who left study in 2021 is 5.8 years.

Stricter eligibility criteria apply to the student allowance, which is not required to be paid back. Some people who qualify for a student allowance may also qualify for an accommodation benefit.

The training incentive allowance (TIA) provides extra help to sole parents, carers, and disabled people. It helps with costs associated with study, such as tuition fees, laptops, Wi-Fi, transport, and care costs.

## **Accessibility of loans and other financial assistance for students on placements**

MSD said that a student completing an unpaid placement could potentially get a student loan or the student allowance, but it would depend on whether the placement is a component of the qualification they are studying for.

MSD said that it cannot provide information on the uptake of financial support by learners on unpaid work placements. This is because the forms it requires students to fill out when applying for assistance do not ask for information on payment for work placements. For the same reason, it cannot provide information about the completion rates of unpaid placements.

## **Additional support for students on placements**

MoE and TEC told us that some tertiary education organisations support students by offering:

- additional financial support such as travel expenses to placement locations
- financial support for specific programmes

- financial hardship grants
- financial support for some specific Māori and Pasifika programmes.

Additionally, TEOs offer academic and pastoral support. They also assist with management of placements, including placing learners within their region if possible.

### **Support for specific career training**

We learned about the support available for people training in specific careers. We summarise some of this information below.

MoE supports teacher trainees through five types of scholarship that cover course fees and provide an allowance. In 2024, 465 places in these scholarships were available.

For students studying towards a career in mental health and addiction services, Health New Zealand | Te Whatu Ora (HNZ):

- awards scholarships to Pacific students, with 165 awarded in 2024
- provides around 150 scholarships each year to Māori students
- provides 32 scholarships each year for Muslim students.

HNZ recently provided 80 scholarships over 2 years for students working towards supporting people who experience addiction or harm from gambling. HNZ also offers pastoral and financial support for Māori and Pasifika midwifery students. It does not cover costs incurred while undertaking clinical placements.

MoE funds the Medical Trainee Intern Grant (TIG), available to medical students in their sixth year of study. The grant supports medical students to complete their studies. In 2023, the TIG cost just under \$14 million and covered around 500 students. The ministry said that if other placements were similarly funded, the number of students being funded would significantly increase. It said that the Government needs to balance this expenditure “alongside its fiscal priorities for tertiary education and across all portfolios”.

### **Our response to the petition**

We thank the petitioner for researching and highlighting this matter. We commend her for her advocacy on behalf of trainees in health, education, and social work. The petitioner has identified a challenge facing New Zealand.

We recognise the need to increase New Zealand’s workforces in health, education, and social work, and to adequately support students gaining qualifications in these areas. We agree with the Ministry of Education that study costs should be shared by learners, their families, and the Government.

We acknowledge the support offered to learners on unpaid placements by the Ministry of Education, Health New Zealand | Te Whatu Ora, and tertiary education organisations. This is in addition to student loans and student allowances.

We have considered the information that we received from the petitioner and agencies. The issue is complex, and we do not consider there is an immediate solution to it. As a select committee with members from several political parties, we have differing views about the

approaches needed to address this issue. We encourage all parliamentarians to take note of this petition when developing policies.

## Appendix

### Committee procedure

The petition was presented to the House on 28 May 2024. The Petitions Committee received a written submission from the petitioner and referred the petition to us on 8 August 2024. We met between 29 August 2024 and 4 June 2025 to consider the petition. We received written submissions from the Ministry of Education, the Ministry of Social Development, and the Tertiary Education Commission. We heard oral evidence from the petitioner.

### Committee members

Katie Nimon (Chairperson)  
 Carl Bates (Deputy Chairperson)  
 Camilla Belich (until 12 March 2025)  
 Mike Butterick (until 29 January 2025)  
 Shanan Halbert (from 12 March 2025)  
 Francisco Hernandez (from 29 January 2025)  
 Grant McCallum  
 Dr Parmjeet Parmar  
 Hon Willow-Jean Prime (from 12 March 2025)  
 Hon Jan Tinetti (until 12 March 2025)  
 Hon Phil Twyford  
 Dr Vanessa Weenink (from 29 January 2025)  
 Dr Lawrence Xu-Nan (until 29 January 2025)

Ricardo Menéndez-March and Helen White participated in our hearing for this petition.

### Related resources

The documents received as evidence in relation to this petition are available on the [Parliament website](#).

A recording of our hearing with the petitioner on 13 November 2024 can be [accessed online](#).