

Pulse Today article – Student Debt

The average UK medical graduate is unlikely to ever fully repay large debts incurred whilst studying, which could affect recruitment, researchers have claimed.

A new analysis of salary data which looked at actual income of doctors, posed against record-high tuition fees and living costs, also showed that females were even less likely to ever be able to repay debts because they earn less per hour than male counterparts.

The researchers concluded such debts could lead to students opting for other careers, or looking to study abroad.

The findings, published in BMJ Open, contradict National Audit Office (NAO) calculations predicting most doctors can pay off £71,000 debts within 25 years.

Researchers said this deviation was explained by their study looking at actual earnings of graduate respondents - from national Labour Force Surveys between 1997 and 2014 – while the NAO model used NHS pay scales.

Their analysis of salaries for 4,286 medical graduates working more than 30 hours a week showed that the average doctor will have outstanding debts after 30 years, which is when they get written off.

The paper said: ‘The NAO presented a single simulation for a doctor graduating with an initial debt of £71,000, suggesting that they would clear the debt 25 years after graduating.

‘However, in the simulations presented here, neither a male nor a female medical graduate with an initial debt of £70,022 would ever repay the debt before it is written off.

The researchers reached their average debt figure working on the assumption that a medical student would pay £9,000 in annual tuition fees for four years of studying, while the fifth and final year’s fees would be covered by the BMA and NHS bursary, leaving graduates with a total tuition fee debt of £39,946.

Taking into account maintenance loans, a student living away from home but studying outside of London would have a debt of £70,022, with a minimum debt of £64,000 for students living at home but studying outside London and £82,000 for London students not able to live with their parents.

The study authors said that ‘such levels of graduate debt may affect the recruitment of students to a career in medicine in the UK as some may choose alternative careers and others may decide to study medicine abroad’.

They further warned policy makers that ‘even small changes in the student loan contract in future will have substantial implications for lifetime wealth across different income groups, across male and female graduates, and on the sustainability of the student loans system’.

Their research showed that the gender pay gap begins to develop at age 30, growing progressively to a peak at age 55 when female doctors are earning 35% less than their male counterparts. According to the study, this was not because they worked less but because their hourly wage was significantly smaller, with career breaks and flexible working due to motherhood posed as a possible explanation.

The BMA's medical students committee chair Harrison Carter said: 'This study echoes our repeated concerns about the financial plight of medical students facing graduation debts of at least £70,000.

'The decision to allow medical schools to increase tuition fees to as much as £9,000 was a damaging move that places substantial financial barriers in front of the next generation of students from low and middle income families, and now this study suggests that those earning less will end up paying more, which is completely unacceptable.'

It comes as Pulse reported that a [third of GP training positions for the August 2015 intake remain unfilled](#) following the first round of recruitment.

Source: pulsetoday.co.uk/your-practice/practice-topics/education/medical-students-unlikely-to-repay-student-debts-during-working-life/20009752.article