



Fees Free and Aviation provision

This document describes how Fees Free entitlements are applied to high-cost provision including approved aviation programmes for pilot training.

Learners eligible for Fees Free are entitled to up to \$12,000 (including GST) of Fees Free in their first calendar year.

Learners with fees exceeding \$12,000 (including GST) may be able to borrow through the Student Loan Scheme.

There is a student loan borrowing cap for learners studying an approved aviation programme for pilot training

Learners are able to borrow up to \$35,000 per one equivalent full-time student (EFTS).

Learners eligible for Fees Free are able to borrow \$35,000 per EFTS minus their Fees Free entitlement (\$12,000).

For example:

Number of EFTS learner undertakes	Total cost of provision (examples)	Fees Free entitlement	Maximum amount learner can borrow through Student Loan Scheme <i>Maximum amount learner can borrow through Student Loan Scheme minus Fees Free entitlement (\$12,000)</i>	Learner contribution <i>Total cost of provision minus (\$12,000 plus maximum amount learner can borrow through Student Loan Scheme)</i>
1	\$50,000	\$12,000	\$23,000	\$15,000
2	\$100,000	\$12,000	\$58,000	\$30,000
3	\$150,000	\$12,000	\$93,000	\$45,000

Learners studying part-time can borrow relative to the number of EFTS they are enrolled in

For example, if a learner is enrolled in 0.5 EFTS they are able to borrow \$17,500 of fees through the Student Loan Scheme.

Number of EFTS learner is enrolled in	Total fees (example only)	Maximum amount learner can borrow through Student Loan Scheme ¹ This applies to learners who are <i>not</i> Fees Free eligible ² <i>Number of EFTS multiplied by \$35,000</i>	Fees Free eligible learners can borrow up to... <i>Total cost of provision minus Fees Free entitlement (\$12,000)</i>	Are Fees Free eligible learners entitled to carryover?
0.1	\$4,000	\$3,500	N/A – Fees Free entitlement covers cost of provision	Yes – learner has used less than 1 EFTS and \$12,000 in their first calendar year
0.2	\$8,000	\$7,000		
0.3	\$12,000	\$10,500		
0.4	\$16,000	\$14,000	\$2,000	No – learner has used all Fees Free support they are entitled to (\$12,000)
0.5	\$20,000	\$17,500	\$5,500	
0.6	\$24,000	\$21,000	\$9,000	
0.7	\$28,000	\$24,500	\$12,500	
0.8	\$32,000	\$28,000	\$16,000	
0.9	\$36,000	\$31,500	\$19,500	
1	\$40,000	\$35,000	\$23,000	

Learners eligible for Fees Free must use their Fees Free entitlement

Eligible learners cannot opt to pay fees and save their Fees Free entitlement for future use. When paying for fees, costs are prioritised as follows:

1. Fees Free entitlement (\$12,000 including GST).
2. Student Loan or learner contribution (depending on your organisations policy).

For example, if a learner’s course fees in 2024 are \$78,500 (1.9 EFTS), their payment would work as follows:

Course fees \$78,500	\$
Fees Free contribution	12,000
Student Loan for 1.9 EFTS (\$35K per EFTS, less Fees Free contribution of \$12K)	54,500
Total contribution for 1.9 EFTS (including Fees Free and Student Loan)	66,500
Course fees	78,500
Remaining contribution required from learner	12,000

After the \$12,000 contribution from Fees Free, the learner has borrowed the maximum amount for 1.9 EFTS, and must cover the remaining fees themselves.

¹ To get a Student Loan learners must meet certain criteria. They can apply online through the StudyLink website.

² Fees Free eligible learners can still borrow through the Student Loan Scheme. They may need to do so if their fees exceed the \$12,000 (including GST) cap (they can otherwise self-fund any excess costs above \$12,000).

Carrying forward of remaining entitlement (carry-over)

Learners who undertake less than 1 EFTS (120 credits) and use less than \$12,000 of Fees Free in their first calendar year can carry forward their remaining Fees Free entitlement (in dollars and EFTS).

Eligible learners are entitled to Fees Free support for up to 1 EFTS (120 credits) or up to \$12,000 – whichever the learner reaches first. A learner's entitlement will stop when they reach either 1 EFTS or 12,000.

For more information on carryover check out [Methodology for calculating Fees Free learner carry-over entitlement for provider-based study.](#)

Appendix: High-cost provision

The following is set out in the *Determination of Design of Funding Mechanism: delivery at levels 3 – 7 (non-degree) on the New Zealand Qualification and Credentials Framework and all industry training (2024)* paragraph 82.

“...Each TEO that is allocated EFTS for aviation provision that includes an in-flight training component (pilot training) must supply the Ministry of Social Development with the correct learner enrolment information, through the Verification of Study system, that ensures that:

- a. annual student loan fee borrowing for any pilot training learner does not exceed:
 - i. if the learner is not eligible for Fees Free Tertiary Education, \$35,000 per EFTS, as set out in paragraphs 86 and 87 and in any delegation to the TEC in force relating to the funding of Fees Free Tertiary Education that is issued under section 409(1)(j) of the Act; or
 - ii. if the learner is eligible for Fees Free Tertiary Education, \$35,000 per EFTS, less the amount payable to a TEO by the TEC on behalf of the learner for fees in accordance with criteria set out in paragraphs 86 and 87 and in any delegation to the TEC in force relating to the funding of Fees Free Tertiary Education that is issued under section 409(1)(j) of the Act; and
- b. where a pilot training learner is studying part-time, annual student loan fee borrowing does not exceed the proportion of \$35,000 that is represented by the proportion of an EFTS course load that is being undertaken by the learner, less any fees payment made by the TEC on behalf of the learner (as set out in paragraphs 86 and 87 and in any delegation to the TEC in force relating to the funding of Fees Free Tertiary Education). For example, if a learner is studying 0.4 EFTS units in the year, the student loan borrowing limit will be \$14,000. For those eligible for the Fees Free Tertiary Education payment, the student loan borrowing limit for 0.4 EFTS units in the year would be \$14,000, less the amount payable to a TEO by TEC on behalf of the learner for fees.”