

Tertiary Education Report: December 2024 Fees Free Enrolment Update

Date:	7 May 2025	TEC priority:	Medium
Security level:	In Confidence	Report no:	B-25-00498
		Minister's office No:	

ACTION SOUGHT		
	Action sought	Deadline
Hon Penny Simmonds Minister of Tertiary Education and Skills	Note the tertiary sector’s Fees Free enrolment data as at December 2024;	At your earliest convenience
Hon Shane Reti Minister of Universities and Statistics	Note the Tertiary Education Commission has provided data on December 2024 enrolments in a separate briefing [B-24-00972];	
	Agree for the TEC to proactively release this briefing in due course.	
Enclosure: No	Round Robin: No	

CONTACT FOR TELEPHONE DISCUSSION (IF REQUIRED)			
Name	Position	Telephone	1st contact
Gillian Dudgeon	Deputy Chief Executive, Delivery	9(2)(a)	✓

THE FOLLOWING DEPARTMENTS/AGENCIES HAVE SEEN THIS REPORT						
<input type="checkbox"/> DPMC	<input type="checkbox"/> MPI	<input type="checkbox"/> ENZ	<input type="checkbox"/> ERO	<input type="checkbox"/> MBIE	<input checked="" type="checkbox"/> MoE	<input type="checkbox"/> MFAT
<input type="checkbox"/> MPP	<input type="checkbox"/> MSD	<input type="checkbox"/> NZQA	<input type="checkbox"/> NZTE	<input checked="" type="checkbox"/> TEC	<input type="checkbox"/> TPK	<input type="checkbox"/> Treasury

Minister's Office to Complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments:

Recommendations

Hon Penny Simmonds, Minister of Tertiary Education and Skills

Hon Shane Reti, Minister of University and Statistics

It is recommended that you:

1. **note** the tertiary sector's Fees Free enrolment data reported as at December 2024;
2. **note** the Tertiary Education Commission has provided data on December 2024 enrolments in a separate briefing [B-24-00972]; and
3. **agree** to proactively release this briefing.

AGREED / NOT AGREED



Gillian Dudgeon

Deputy Chief Executive, Delivery
Tertiary Education Commission

7 May 2025

Hon Penny Simmonds

Minister of Tertiary Education and Skills

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Hon Shane Reti

Minister of Universities and Statistics

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Purpose

1. TEC routinely briefs you on Fees Free enrolments after each Single Data Return (SDR) submission. These briefings are for your information only.
2. This paper provides you with an update of first-year Fees Free enrolments for the 2024 calendar year. It compares enrolments in 2024 to enrolments in 2023 and shows changes in Fees Free enrolments and demographics.
3. On 29 April 2024, Cabinet agreed to replace first-year Fees Free with a final-year Fees Free scheme from 1 January 2025, whereby payments of learner fees will be made following completion of their study programme [CAB-24-MIN-0148.81 – Initiative ID 15736 refers]. This paper relates to figures for the first-year Fees Free policy only.

Summary

4. Overall, Fees Free has supported 305,544 learners since it was introduced, up to 2024¹.
5. There were 64,302 learners who accessed Fees Free in 2024. Of these, 41,787 were new learners who accessed Fees Free for the first time and 22,515 learners carried over their Fees Free entitlement from previous years.
6. Compared with 2023, the total number of learners enrolled in Fees Free increased by 2,121 learners (3%). Learners accessing Fees Free for the first time decreased by 7,182 learners (15%).
 - a. Age demographics shifted slightly, with learners aged 18-19 decreasing from 58% in 2023 to 56% in 2024, and those aged 20-24 increasing from 21% to 22%. Overall, the proportion of learners under the age of 25 has remained stable making up 89% of the total.
 - b. Ethnicity demographics² of Fees Free learners shifted slightly in 2024. European learners decreased from 74% in 2023 to 70%, and Asian from 14% to 13%, while Pacific peoples increased from 10% to 11%. Māori and MELAA learners remained steady at 19% and 3%, respectively, since 2023.
 - c. Gender demographics shifted slightly, with males decreasing from 56% in 2023 to 55% in 2024. Female and another gender³ Fees Free learners have increased by less than 1% and remain at 44% and 1% respectively.

In 2024, 64,302 Fees Free eligible learners were enrolled

7. Overall, there were 64,302 Fees Free eligible learners enrolled up to 2024, who have received a benefit from Fees Free in 2024. This number includes learners who accessed Fees Free for the first time in 2024 and learners who have continued their studies and carried over the balance of their entitlement from any period since 2018.
8. Since the Fees Free policy was introduced on 1 January 2018, 305,544 learners have received a benefit.

¹ Note that this briefing focuses on learner numbers and not EFTS and STMs delivered for Fees Free. The majority of Fees Free learners are enrolled in 120 credit degrees and certificates for the full year.

² Learners can be counted more than once when they are reported in more than one ethnicity. Therefore, aggregated percentage values may exceed 100%.

³ In April 2021, Stats NZ updated their sex and gender statistical standards, whereby the "Gender diverse" response category was changed to "Another gender". The Another gender reporting option is only available in the SDR, whereas the ITR does not have this reporting option.

9. In 2024, Tertiary Education Commission (TEC) paid (inclusive of GST) approximately \$334 million⁴ for Fees Free enrolments, including \$189 million to universities, \$66 million to Te Pūkenga⁵, \$51 million to private training establishments (PTEs), and approximately \$500,000 to Wānanga for provider-based enrolments. The TEC also paid (inclusive of GST) over \$27 million for work-based enrolments.
10. Overall, the average financial benefit for each Fees Free learner was approximately \$5,200⁶ in 2024. The average financial benefit was highest at universities at \$7,500 per learner (up \$400 from 2023), followed by PTEs at \$6,100 (up \$300), Te Pūkenga at \$4,300 (up \$300), Wānanga at \$2,500 (up \$100) and work-based learning at \$1,700 (down \$100)⁷.
11. Table 1 shows the number of enrolments from learners who received a benefit from Fees Free in 2024.

Table 1: Number of learners who received a benefit from Fees Free in 2024^{8,9}

Tertiary Education Organisation Type	Learners new in 2024	Learners carried over	Total number of learners
Universities	21,636	3,524	25,160
Te Pūkenga	10,680	4,647	15,327
Private Training Establishments	6,843	1,559	8,402
Wānanga	128	73	201
Total Provider-based study	38,919	9,729	48,648
Work-based learning	2,950	12,895	15,845
Total Tertiary Education Organisations	41,787	22,515	64,302
Total enrolments	42,522	22,846	65,368

12. In 2024, most learners benefiting from Fees Free are enrolled in the university subsector, which represents 39% of all Fees Free learners.
13. Out of the 64,302 learners, who have received a benefit from Fees Free in 2024, 17,424 learners could continue to be eligible for First Year Fees Free in 2025 if they continue to study under the same qualification in 2025.
14. The total number of Fees Free learner enrolments decreased slightly (65,369, down 97 from 2023). A learner can enrol at more than one Tertiary Education Organisation type and in more than one qualification, therefore the 'Total enrolments' will be higher than 'Total Tertiary Education Organisations' which only counts learners once⁸.

⁴ Dollar values have been rounded to the nearest million. Due to rounding, underlying values may not add up exactly to total values.

⁵ Te Pūkenga stood up on 1 April 2020. This data excludes work-based training which was transitioned into Te Pūkenga from late 2021 through December 2022 and is reported separately in the table for all providers.

⁶ Average financial benefit in dollars values have been rounded to the nearest hundred. Due to rounding, underlying values may not add up exactly to total values.

⁷ Note that Wānanga and industry training providers tend to charge lower course fees in comparison to the other subsectors.

⁸ Learners are counted in each subsector they enrol in and only once in the totals. This means the sum of the various subsectors may not add to the total. The 'Total enrolments' breakdown counts all learners under all qualifications and subsectors they are enrolled in. This means that 'Total enrolments' will be larger than 'Total Tertiary Organisations'

⁹ Te Pūkenga and PTE Work-based learners are included in the Work-based learning sector learner counts and are excluded from Te Pūkenga's and PTE learner counts as they were transitioned from Transitional Industry Training Organisations over a 15-month period.

New Fees Free learners decreased by 15% in 2024

15. Although the total number of enrolments increased in 2024, the number of new Fees Free learners decreased 15%, showing a high portion of learners are returning to Fees Free study and training in 2024.
16. Table 2 compares the number of enrolments from new learners who received a benefit from Fees Free in 2023 and 2024.

Table 2: Number of new learners in 2023 and 2024 who received a benefit from Fees Free^{7,8}

Tertiary Education Organisation Type	New learners in 2023	New learners in 2024	Variance in new learners	Percentage variance
Universities	21,654	21,636	-18	0%
Te Pūkenga	10,269	10,680	411	4%
Private Training Establishments	5,897	6,843	946	16%
Wānanga	131	128	-3	-2%
Total Provider-based Study	37,543	38,919	1,376	4%
Work-based learning	11,644	2,950	-8,694	-75%
Total Tertiary Education Organisations	48,969	41,787	-7,182	-15%

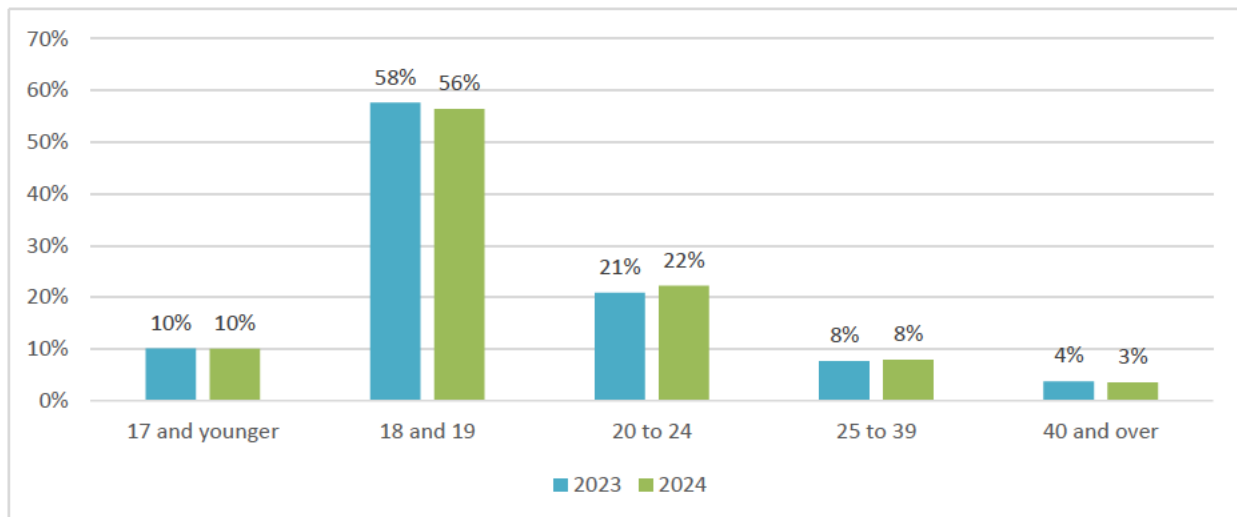
17. Compared to 2023, the number of new work-based enrolments decreased by 75%, while new provider-based enrolments increased by 4%. This large decrease in the rate of new work-based learners may be attributed to the impact of the end of the Targeted Training and Apprenticeship Fund (TTAF) on new Fees Free enrolments in 2023. Many work-based learners who started using Fees Free in 2023 are now in carry over in 2024, driving a lower percentage of new learners overall. This pattern is not reflected in provider-based enrolments due to the shorter period of entitlement for provider-based learners.
18. Across all study and training, the largest increase in enrolments was seen in the Food, Hospitality and Personal Services fields with an increase of 766 learners (25%), followed by Management and Commerce with an increase of 714 learners (10%).
19. Most Fees Free enrolments in 2024 were in sub-degree qualifications. Enrolments in sub-degree vocational qualifications increased by 2,359 (6%) from 2023. Enrolments in qualifications levels 7 degree and above increased by 203 (1%).
20. The number of Wānanga learners benefiting from Fees Free is relatively low compared to other subsectors as many programmes offered at the Wānanga have zero fees and are ineligible for Fees Free due to a policy change in 2023.

There are still lingering impacts of the end of TTAF on Fees Free learner demographics

21. TTAF caused a shift in the age groups of Fees Free learners. Learners that had been supported by TTAF, who otherwise would have been eligible for Fees Free, are now starting to use Fees Free later than they otherwise would have.

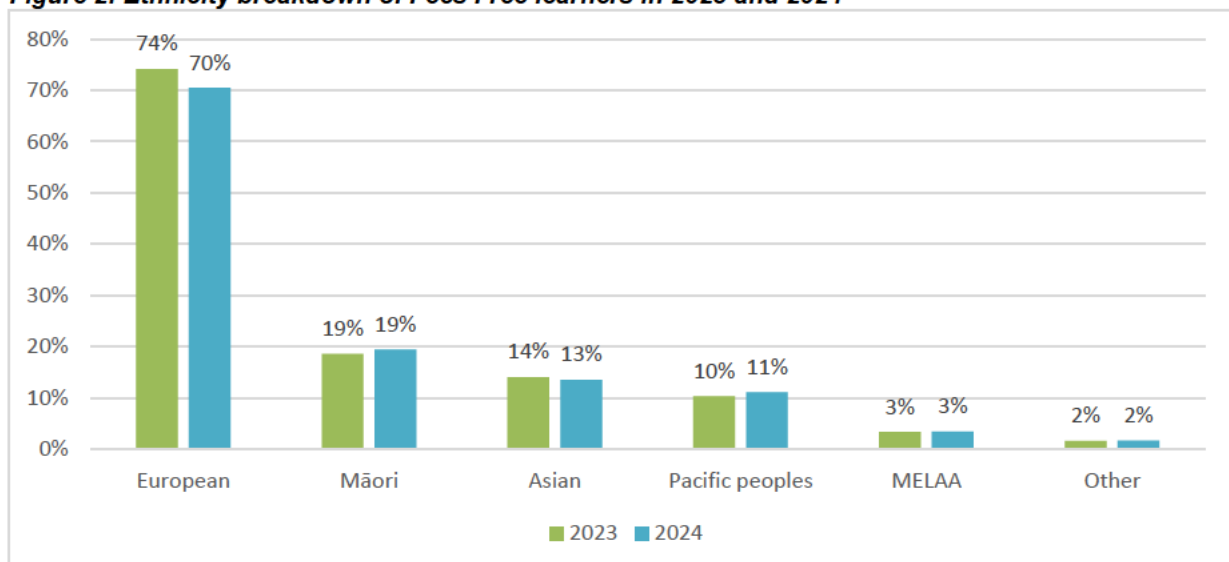
22. The average age of Fees Free learners has decreased to from 20.9 to 20.8 years over the past year.
23. Figure 1 compares the age demographics of Fees Free learners in 2023 and 2024.

Figure 1: Age breakdown of Fees Free learners in 2023 and 2024^{10, 11}



24. Learners aged under 25 represented 89%¹¹ of Fees Free learners in 2024, with no change from 2023.
25. Within the under 25 age group there is a more noticeable shift, with learners aged 18 and 19 decreasing from 58% of all Fees Free enrolments in 2023 to 56% in 2024, a decrease of 2 percentage points. The 20 to 24 age group has increased from 21% to 22% of total enrolments.
26. Figure 2 compares the ethnicity of Fees Free learners from January to 2024 to the same period in 2023.

Figure 2: Ethnicity breakdown of Fees Free learners in 2023 and 2024²

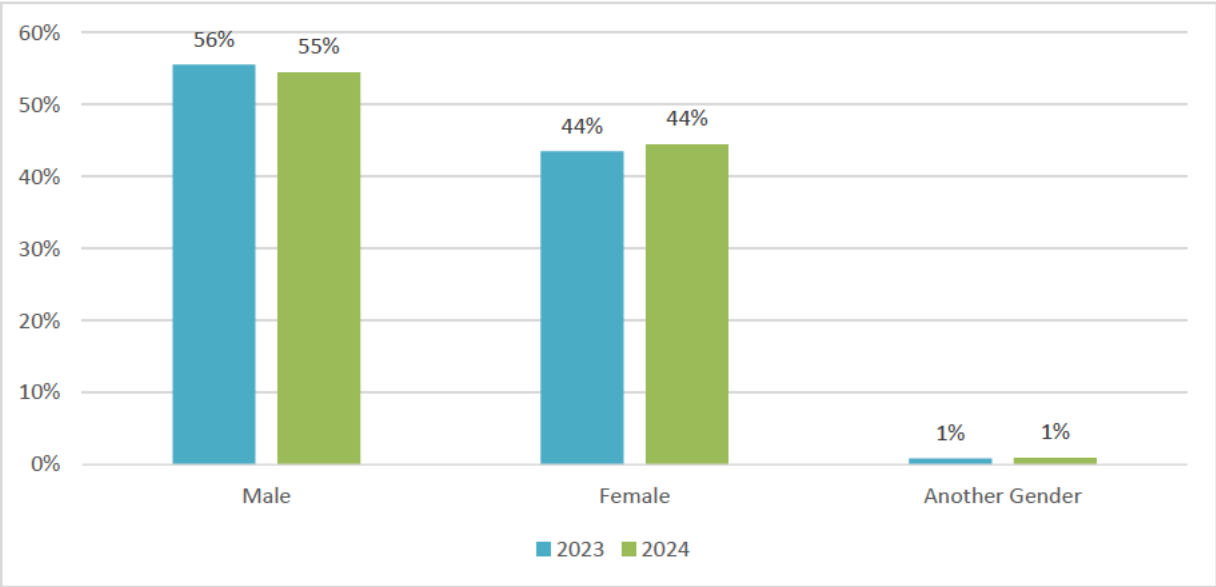


¹⁰ A learner's age is calculated as at 1 July for the corresponding year.

¹¹ Learners' ages have been rounded to the nearest percentage. Due to rounding, the underlying values may not add up exactly to the total values.

- 27. In 2024, most Fees Free learners identified as European (70%, down from 74% in 2023), with smaller percentage changes for Māori ,Asian and Pacific peoples.
- 28. Figure 3 shows gender breakdowns of Fees Free learners in 2023 and 2024.

Figure 3: Gender breakdown of Fees Free learners in 2023 and 2024



- 29. In 2024, the majority of Fees Free learners identified as male (55%), while 45% of learners identify as female, and 1% as another gender³.

Data caveats

- 30. The analysis above reflects TEO Fees Free reporting received as at December 2024 and eligibility as at 31 December 2024 for Fees Free.
- 31. This is the last report of first-year Fees Free enrolment update following completion of the December 2024 SDR, and reconciliation of the Fees Free data submitted by providers, in addition to the ITR update¹².

¹² Providers (Universities, Te Pūkenga, Wānanga and Private Training Establishments) submit their SDR data three times a year (April, August, and December), and each submission reflects all known enrolments and delivery at the time, while work-based learning submissions (by Te Pūkenga and Private Training Establishments) occur continually throughout the year. Enrolments may take several months to be processed.