



Aide-Memoire: Cabinet talking points - August fees-free enrolments

To:	Hon Chris Hipkins, Minister of Education
From:	9(2)(a) Manager – Delivery and Projects, Delivery Directorate
Date:	1 November 2018
Reference:	AM-18-00781

Purpose

1. This note provides talking points to support your oral item at Cabinet on 5 November about tertiary education fees-free enrolments as at August 2018.
2. These talking points draw on the TEC's 5 October briefing *August 2018 enrolments at tertiary education organisations* [B/18/00704] and *Fees-free demographic data as at August 2018* [B/18/00761], and the Ministry of Education's 10 October briefing note *Commentary on August fees-free enrolment data* [Metis 1158144].
3. We recommend that this aide memoire is released with the budget implications section redacted to maintain the conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials.

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Manager – Delivery and Projects
Tertiary Education Commission

1 November 2018

Hon Chris Hipkins

Minister of Education

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Talking Points

- I have received new data on tertiary enrolments and fees-free enrolments to August 2018.
- SAC enrolments show that August 2018 EFTS are flat compared to August 2017, while student numbers have **decreased** by 0.4% (1,174).
- Industry Training enrolments show STMs **have increased** 0.5% (119), while learner numbers have **decreased** by 1.2% (1,228).

Fees-Free uptake to August and Forecast year-end uptake

- Total **fees-free enrolments to August are 41,700** students and trainees. This compares to the April figure of 33,300.
- Uptake of fees-free support has been highest amongst full-time provider-based students.
- The majority of learners using fees-free are young school-leavers, in part because they are the least likely to have undertaken previous study. Around 80% of learners in provider-based study are aged 19 or under, with a further 11% aged 20-24 years. In industry training, around 58% of learners are aged 19 or under, with a further 18% aged 20-24 years.
- More than half of fees-free enrolment in provider-based study are female students (59%). In industry training, 93% of learners are male.
- Around 17% of fees-free learners in provider-based study and industry training are Māori (21% in SAC and 17% in industry training overall). Around 12% of fees-free students in provider-based study are Pasifika (10% in SAC overall). In industry training, around 7% of learners are Pasifika (8% in industry training overall).
- **The Ministry of Education estimates that 50,200 people will benefit from fees-free support over the full 2018 calendar year.** This comprises 45,600 provider-based students and 4,600 industry trainees.
- Final year data for 2018 will be available in early 2019.

Subsector uptake

- As expected, most of the increase since April has been in institutes of technology and polytechnics and in industry training, reflecting their pattern of ongoing enrolments over the year.
- Universities account for 56% of fees-free enrolments to date compared to 63% in April. The proportion of fees-free enrolments at other institutions has increased with institutes of technology and polytechnics accounting for 26% (compared to 22% in April), private training

establishments 13% (compared to 11% in April), and industry training organisations 6% (compared to 4% in April).

- Industry training numbers will grow further by year-end as August data did not include trainees at the Motor Industry ITO.
- Wānanga account for 100 fees-free enrolments as at August 2018¹, largely because many wānanga students are older learners whose prior tertiary study makes them ineligible for fees-free, and because many wānanga programmes charge no fees. Students enrolled in these programmes receive fees-free tertiary education, but the TEC is not making fee payments, so they are not included in the reported fees-free figures.
- The numbers we report for fees-free enrolments do not include those already gaining fees-free provision through:
 - a. other government funding, such as Māori and Pasifika Trades Training, or;
 - b. if they are not charged any tuition fees due to the fee-setting decisions of their tertiary organisation, such as many wānanga enrolments.
- The numbers I am reporting here are student and trainee headcounts.

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[REDACTED]

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[REDACTED]

Announcement

I plan to proactively release a number of papers related to the development of the 2019 fees-free policy shortly.

¹ This figure has not changed since April, as enrolments are rounded to the nearest hundred.