



Fees-free info sheet: Aviation provision

This document describes how fees-free entitlements are applied to approved aviation programmes for pilot training.

Learners eligible for fees-free are entitled to up to \$12,000 (including GST) worth of fees-free support

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

There is a 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
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 in 2018 and “bank” their entitlement for future use. When paying for fees, costs are prioritised as follows:

1. Fees-free entitlement (\$12,000).
2. Student Loan or learner contribution (depending on your organisation’s policy).

For example, if a learner’s course fees in 2018 are \$78,500 (1.9 EFTS), their payment would work as follows:

Course fees \$78,500	\$
Student Loan for 1 EFTS (\$35K less fees-free contribution of \$12K)	23,000
Fees-free contribution	12,000
Total Student Loan for first EFTS (including fees-free contribution)	35,000
Student Loan for 0.9 EFTS (90% of \$35K)	31,500
Total Student Loan for 1.9 EFTS	66,500
Course fees	78,500
Remaining contribution required from learner	12,000

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 cap (they can otherwise self-fund any excess costs above \$12,000).

The fees-free entitlement (\$12,000) cannot be used for the learner contribution component of the payment.

Carrying forward of fees-free entitlement (carryover)

Learners who **undertake less than 1 EFTS (120 credits) and use less than \$12,000 of fees-free support** in the 2018 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 of fees-free support – whichever cap the learner hits first. A learner's entitlement will stop when they reach either 1 EFTS or 12,000.

For more information on carryover check out [Carryover settings for 2019](#).

Appendix: High cost provision

The following is set out in the *Supplementary Determination of Design of Funding Mechanism: Student Achievement Component – provision at level 3 and above on the New Zealand Qualifications Framework (2018)*.

“A TEO that is allocated EFTS for aviation provision that includes an in-flight training component (pilot training) must supply StudyLink with the correct student enrolment information, through the Verification of Study system, that ensures that:

- a. Annual student loan fee borrowing for any pilot training student does not exceed:
 - i. \$35,000 per EFTS, if not eligible for fees-free tertiary education, as set out in paragraphs 73C and 73D; or
 - ii. \$35,000 per EFTS, less up to the maximum payment of \$12,000 paid by the TEC on behalf of the student for fees (as set out in paragraphs 73A-73G).
- b. Where a pilot training student 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 student, less any fees payment made by the TEC on behalf of the student (as set out in paragraphs 73A-73G). For example, if a student is studying 0.4 EFTS in the year, the student loan borrowing limit will be \$14,000. For those eligible for the fees-free tertiary education payment under paragraphs 73A-73G, the student loan borrowing limit for 0.4 EFTS in the year would be \$14,000, less up to the maximum payment of \$12,000 paid by the TEC on behalf of the student for fees.”