

The Tertiary Education Fees—Free (Levels 1 and 2) Conditions Notice 2016

Under sections 159L(3)(d) and 159M(b) of the Education Act 1989, the Minister for Tertiary Education, Skills and Employment gives notice of the proposed conditions setting limits on the fees tertiary education organisations may charge to domestic students from 2017.

Notice

1. Title—This notice may be cited as the Tertiary Education Fees—Free (Levels 1 and 2) Conditions Notice 2016.

2. Commencement—The proposed conditions outlined in this notice apply from the 2017 academic year.

3. Proposal—I propose to specify a condition under section 159L(3)(d) that the Tertiary Education Commission (TEC) must attach to funding provided under the funding mechanism for the Student Achievement Component – Provision at Levels 1 and 2 of the New Zealand Qualifications Framework (non-competitive allocation). Under the proposed condition, a tertiary education organisation (TEO) may not charge fees to learners enrolled in courses for which the TEO receives funding under that funding mechanism.

This notice is in addition to, and does not replace, The Tertiary Education Fees—Free Conditions Notice 2015, as published in the [New Zealand Gazette, 28 May 2015, Issue No. 58, Notice No. 2015-go3051](#).

4. Application—The condition set out in this notice refers to:

(a) Fees, including the following items: Tuition fees, compulsory course costs, examination fees, other charges associated with a programme of study, material charges, cost of field trips and any compulsory purchase of equipment or books through the organisation.

(b) TEOs as organisations, as defined in section 159B, include tertiary education institutions (TEIs), private training establishments (PTEs) and rural education activities programme providers (REAPs).

5. Call for submissions—Any TEO and any other person, body or organisation having an interest in the matter is invited to make a submission on the proposed conditions set out in this notice.

All submissions should be sent to:

Fees-Free Conditions Submissions
Tertiary Education Policy
Ministry of Education
PO Box 1666
Wellington 6140
Email: tertiary.strategy@education.govt.nz

6. Date for submissions—All submissions must be received by **7 July 2016**.

Dated at Wellington this 16th day of June 2016.

HON STEVEN JOYCE, Minister for Tertiary Education, Skills and Employment.

Proposed conditions to be attached to specified funds that are allocated and paid for by the Tertiary Education Commission (TEC) to tertiary education organisations (TEOs)

1. A TEO may not charge fees to learners enrolled in courses funded by the Student Achievement Component – Provision at Levels 1 and 2 of the New Zealand Qualifications Framework (NZQF) (non-competitive allocation) unless this condition is amended under section 159YC of the Education Act 1989 to allow a fee to be charged.

Note: Effect of this Notice

These notes do not form part of this notice, but are intended to indicate its general effect.

A. The proposed condition under this notice extends the current requirement for the TEC to attach a condition on funding that a TEO may not charge fees to learners enrolled in the courses funded by the Student Achievement Component – Qualifications at Levels 1 and 2 of the New Zealand Qualifications Framework (competitive allocation) to Level 1 and Level 2 courses funded by non-competitive allocation under the relevant funding mechanism, without any age limitation.

B. Section 159L(3)(d) of the Education Act 1989 (“Act”) provides that the Minister, when determining the design of a funding mechanism, may specify the conditions that the TEC must attach to funding provided under the mechanism, including conditions that limit the fees that an organisation may charge domestic students.

C. Under section 159M(b) of the Act, the Minister may not specify conditions setting limits on fees until two months after the date of publication of a notice in the *New Zealand Gazette* that:

(i) states that the Minister proposes to specify such conditions;

(ii) sets out the proposed conditions;

(iii) invites submissions on the proposed conditions; and

(iv) specifies the date by which submissions must be received, which must be a date no more than 21 days after the date of the *New Zealand Gazette* notice.

D. The conditions setting limits on fees subsequently specified by the Minister in accordance with section 159L(3)(d) of the Act must be imposed as conditions on funding payable by the TEC to an organisation under sections 159YA and 159ZC of the Act.

E. Under sections 227(1A) and 234A of the Act, TEIs and PTEs respectively must not charge domestic students a fee that exceeds the maximum specified as a condition on funding approved by the TEC under sections 159YA and 159ZC of the Act.

2016-go3430
