What is the likely distribution of EFTS loads for fees-free students?

Ministers asked for information on the distribution of EFTS study load among students who may qualify for a first year fees-free policy. This will inform decisions on policy settings such as whether capping the EFTS study load that government will fund for any student under the 2018 fees-free policy would help to manage costs and risks.

This note provides information on the EFTS study load of students who may have qualified for fees free tertiary education in 2016, had the policy applied then. We also provide information on how reducing the allowable level of prior study at Level 3+ below 0.5EFTS could affect the number of eligible students.

The chart below and the last column of table 3 overleaf show the distribution of the EFTS loads undertaken by just over 80,000 students who enrolled in 2016 at Level 3+, having previously recorded no more than 0.5 EFTS of study at Level 3+ since 2003.

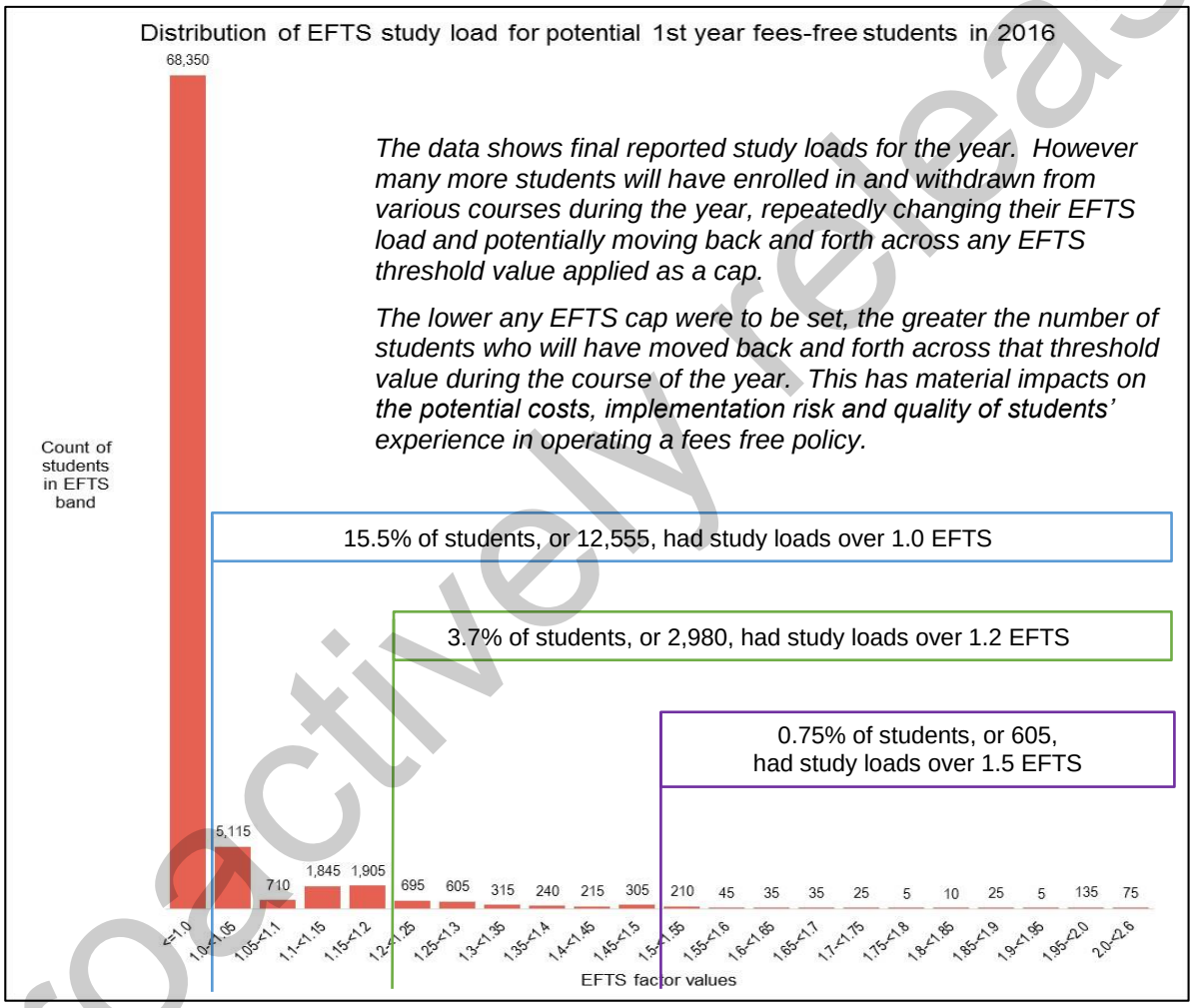

Table 1: Implications of different EFTS caps for fees free entitlements for 2018

Fees-free EFTS cap	Students with final EFTS over cap	% of students affected	Estimated total EFTS exceeding cap
1	12,555	15.52%	1,957
1.1	6,730	8.32%	1,102
1.2	2,980	3.68%	615
1.3	1680	2.08%	385
1.4	1,125	1.39%	246
1.5	605	0.75%	158

Students studying course loads over a cap can draw student loans to fund this, offsetting any fiscal savings.

EFTS over a 1 EFTS cap make up only ≈3% of about 70,000 total EFTS for this group of students.

The main benefit of an EFTS cap is to control the potential for undesirable behavioural responses. We consider this can be more achieved with less complexity and risk for 2018 by capping the dollar value of fees free entitlements.

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Table 2: Distribution of EFTS study load for "new students" in 2016 who would have been potentially eligible for the fees-free policy

EFTS factor in 2016	Number of students	Cumulative count of students	Cumulative percentage of students
<=1.0	68,350	68,350	84.5%
1.0-<1.05	5,115	73,465	90.8%
1.05-<1.1	710	74,175	91.7%
1.1-<1.15	1,845	76,020	94.0%
1.15-<1.2	1,905	77,925	96.3%
1.2-<1.25	695	78,620	97.2%
1.25-<1.3	605	79,225	97.9%
1.3-<1.35	315	79,540	98.3%
1.35-<1.4	240	79,780	98.6%
1.4-<1.45	215	79,995	98.9%
1.45-<1.5	305	80,300	99.3%
1.5-<1.55	210	80,510	99.5%
1.55-<1.6	45	80,555	99.6%
1.6-<1.65	35	80,590	99.6%
1.65-<1.7	35	80,625	99.7%
1.7-<1.75	25	80,650	99.7%
1.75-<1.8	5	80,655	99.7%
1.8-<1.85	10	80,665	99.7%
1.85-<1.9	25	80,690	99.7%
1.9-<1.95	5	80,695	99.7%
1.95-<2.0	135	80,830	99.9%
2.0-<2.6	75	80,905	100.0%
Total	**80,900**		

EFTS factor represents the amount of study a student is expecting to do.
Numbers are rounded to the nearest 5. Rounded totals are based on sum of unrounded numbers.
Ranges include the left-hand number, exclude right-hand number, unless otherwise indicated.
e.g.: 1.0 – 1.05 means from 1.0 to less than 1.05.

Table 3: Numbers of first time in tertiary students starting study in 2016 by EFTS factor in 2016 and by prior study EFTS load

EFTS factor in	Prior EFTS (Level 3+)						Less than *or equal to* 0.5
2016	0.0	< 0.1	< 0.2	< 0.3	< 0.4	< 0.5	
<1.0	31,740	33,160	36,285	38,935	41,625	43,640	68,350
1.0-1.05	21,815	22,060	22,570	22,870	23,325	23,700	5,115
1.05-1.1	2,030	2,045	2,075	2,090	2,120	2,140	710
1.1-1.15	1,655	1,665	1,720	1,750	1,775	1,800	1,845
1.15-1.2	545	550	560	570	590	605	1,905
1.2-1.25	1,420	1,435	1,465	1,475	1,485	1,505	695
1.25-1.3	915	920	950	975	995	1,005	605
1.3-1.35	240	250	260	270	280	295	315
1.35-1.4	170	175	190	195	200	205	240
1.4-1.45	185	190	195	200	205	210	215
1.45-1.5	105	105	115	115	120	120	305
1.5-1.55	290	300	305	310	330	350	210
1.55-1.6	40	40	40	40	40	40	45
1.6-1.65	30	30	30	35	35	35	35
1.65-1.7	25	25	25	30	30	30	35
1.7-1.75	15	15	15	20	20	20	25
1.75-1.8	5	5	5	10	10	10	5
1.8-1.85	10	10	10	10	10	10	10
1.85-1.9	20	20	25	25	25	25	25
1.9-1.95	5	5	5	5	5	5	5
1.95-2.0	45	50	50	50	55	55	135
2.0-2.6	125	135	140	145	145	155	75
Total	61,430	63,180	67,040	70,110	73,425	75,965	80,900

First six columns are drawn from 7 Nov data query. Ranges include left-hand value and are *less than* the right-hand value.

Final column is drawn from a 9 Nov data query. Ranges *exclude* left-hand value and are *less than or equal to* right-hand values.

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