

Agenda	A. International Education Strategy (5.05-5.25pm) B. Work Rights (5.25-5.40pm) C. Re-launch of Education New Zealand Recognised Agent Programme (5.40-5.50pm) D. Review of the Export Education Levy (5.50-6.00pm) E. Next steps
Attendees	Minister of Education, Hon Chris Hipkins (Chair) Minister of Trade and Export Growth, Hon David Parker Minister of Immigration, Hon Iain Lees-Galloway Associate Minister of Education, Hon Tracey Martin Ministry of Education: Claire Douglas, Kate West Ministry of Business, Innovation and Employment: Ruth Isaac, Steve McGill, Sian Roguski Education New Zealand: Grant McPherson, John Goulter New Zealand Qualifications Authority: Grant Klinkum, Eve McMahon Tertiary Education Commission: Mike Blanchard Ministry of Foreign Affairs and Trade: Catherine Graham

Attachments:

A. International Education Strategy

1. Draft International Education Strategy for New Zealand (ENZ/MOE leads)

B. Work Rights

2. Briefing: Proposed options to meet government commitments regarding post-study and in-study Work Rights (MBIE lead)

NOTE: Minister Lees-Galloway's office will forward this paper to other International Education Ministers on 5 April 2018

C. Re-launch of Education New Zealand Recognised Agent Programme

3. Briefing: Re-launch of Education New Zealand Recognised Agent Programme (ENZ lead)
4. Briefing: Regulation of Offshore Education Agents (this is provided for background information)

D. Review of the Export Education Levy

5. Oral item (no paper)

Purpose

1. This meeting provides an opportunity for International Education Ministers to discuss the draft International Education Strategy (the draft strategy). The draft strategy expands on the strategy outline that was agreed by International Education Ministers at the meeting on 26 February.
2. Two other papers will also be discussed – one on in-study and post-study work rights and the other on a proposed re-launch of Education New Zealand's Recognised Agent Programme.
3. The Minister of Education will also lead a discussion on the review of the Export Education Levy.

A - International Education Strategy

4. On 26 February 2018, International Education Ministers broadly agreed to an outline for an International Education Strategy. Ministers agreed that the scope of a draft strategy should reflect Government's priorities in relation to protecting the integrity of the immigration system and defining New Zealand's role in the Pacific. Developing a robust evidence base informed by data was also agreed as a priority.
5. Ministers commissioned Education New Zealand and the Ministry of Education to draft a strategy for their meeting on 9 April 2018. It was agreed that the draft strategy would expand on the goals agreed to at the 26 February meeting of International Education Ministers.
6. Further cross-agency work has now been undertaken to develop a draft strategy (paper 1), beginning with a foreword. The foreword is followed by an introduction which:
 - o Positions the draft strategy as a government strategy with strong sector involvement
 - o Introduces the three overarching goals
 - o Provides some high level indicators for success (these will be supported by developing clear targets and measures)
 - o Provides contextual information on international education, both within New Zealand and globally.
7. The text of the draft strategy describes in more detail each of the three goals:
 - o Excellent education and student experience
 - o Sustainable growth
 - o Global citizens
8. Further cross-agency work to develop the draft strategy led to a small number of suggested revisions to the outline that was endorsed by International Education Ministers on 26 February. These changes are reflected in the draft strategy (paper 1).
9. Following discussion at this meeting, we will make any required amendments to the draft strategy. We will provide you with a revised document along with an engagement plan and timeline for further development of the draft strategy on Wednesday 18 April 2018.
10. Claire Douglas (MOE) is available to talk through the draft strategy.

Discussion points

- **Are Government's priorities clearly articulated in the draft strategy?**
- **Are the sub-goals sufficiently developed in the draft strategy?**

B – Work Rights

11. The Government has committed to make changes to limit in-study and post-study work rights to students undertaking study at degree-level and above. Current settings are out of step with New Zealand's immigration policy objectives.
12. Officials have looked at options for changes to **post-study work rights**, in line with three policy objectives:
- i. to ensure that the post-study pathways for international students are fit-for-purpose and contribute to the skills New Zealand needs
 - ii. to reduce the likelihood of students being exploited by unscrupulous employers, education providers and agents
 - iii. to minimise losses of bona fide students to the export education industry.
13. Officials recommend:
- i. removing 'employer assisted' post-study work visas at all levels while retaining 'open' work rights of:
 - o a one or two year open work visa for those who complete a non-degree NZQF level 7 course or below and
 - o three years for those who complete a level 7 bachelor degree or above
 - ii. requiring those studying non-degree NZQF Level 7 qualifications to do at least two years of study in New Zealand to be entitled to work rights.
14. The recommended changes simplify the system by having only one type of post-study visa, and clearly signal the level of qualifications that New Zealand values most for residency purposes. The changes also remove an avenue employers have used to exploit international students.
15. Officials prioritised **post-study work rights** because this provided us with the strongest lever to address concerns and meet the objectives, as outlined above. s 9(2)(f)(iv)

Consultation and timing of announcements

16. The international education sector is looking for clarity about potential changes to work rights. Officials recommend that you signal to the sector that your priority remains post-study work rights in the first instance. Officials have proposed that targeted consultation on the proposed changes to post-study work rights be undertaken with tertiary industry peak bodies and student associations by early June. This will enable changes to be confirmed at the New Zealand International Education Conference that starts 9 August, or even earlier.
17. s 9(2)(f)(iv)
18. Ruth Isaac (MBIE) is available to talk through the proposed changes to work rights, and timing of consultation and announcements.

Discussion points

- **Do you have any feedback on the proposed changes to post-study work rights?**
- **§ 9(2)(f)(iv)**
- **Discuss whether you want to seek Cabinet agreement to consult on proposed changes.**

C – Re-launch of Education New Zealand Recognised Agent Programme

19. Education New Zealand (ENZ) will re-launch the ENZ Recognised Agent (ENZRA) programme in mid-2018, following a period of review. The ENZRA programme intends to contribute to the attraction of high value international students and enhance the international student experience, providing increased and sustained support to quality education agents who are promoting and marketing New Zealand as an international study destination.
20. ENZRA is not a regulatory programme. It seeks to encourage good practice and provide incentives for agents to consider ENZ's core strategic objectives of "value over volume" and regional diversification when promoting New Zealand as a study destination.
21. Officials recommend that you:
- note that the Education New Zealand Recognised Agent Programme will be re-launched on 1 July 2018
 - note that the Education New Zealand Recognised Agent Programme will place high expectations on Recognised Agents regarding their conduct and behaviour
 - note that the ENZRA programme will be fully reviewed two years from the re-launch to ascertain impacts on agent behaviour, student visa approval rates, and outcomes for students. It would be timely to review wider regulatory settings around international education agents at that time.

Discussion points

- **Do you have any feedback on the proposed re-launch of ENZRA?**
- **Would you like a soft launch of the ENZRA programme with a pilot in mid-2018?**

D – Export Education Levy (oral item)

E - Next steps

22. We will incorporate any feedback and re-submit the draft strategy to the Minister of Education, along with an engagement plan and timeline, on Wednesday 18 April 2018. We will seek approval to engage on the draft strategy with a selected group of sector representatives from the week of 23 April to 11 May, culminating in a meeting of the Stakeholder Reference Group.
23. We will also continue work on developing targets and measures, along with a work plan (including a cross-agency strategic communications plan) to support implementation of the draft strategy. We will provide these papers for discussion at the next meeting of International Education Ministers scheduled for 11 June 2018.

AN INTERNATIONAL EDUCATION STRATEGY FOR NEW ZEALAND

This strategy will build on New Zealand's quality education system to ensure international education provides economic, social and cultural benefits for all New Zealanders. The strategy will create an environment where the export education sector can thrive and respond to changing global trends.

Government will balance this with maintaining the integrity of the immigration system, having a strong regard for student wellbeing, and seeking good education outcomes.

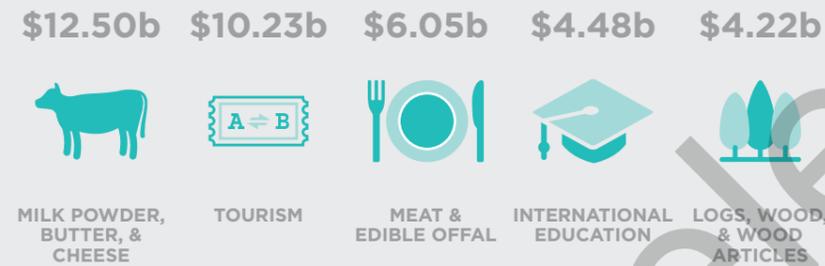


New Zealand has been supporting the development of global skills and knowledge through international education for more than 25 years



At \$4.5 billion, international education is NZ's fourth largest export and makes an important contribution to NZ's economy

Top 5 NZ exports (June 2017 year)

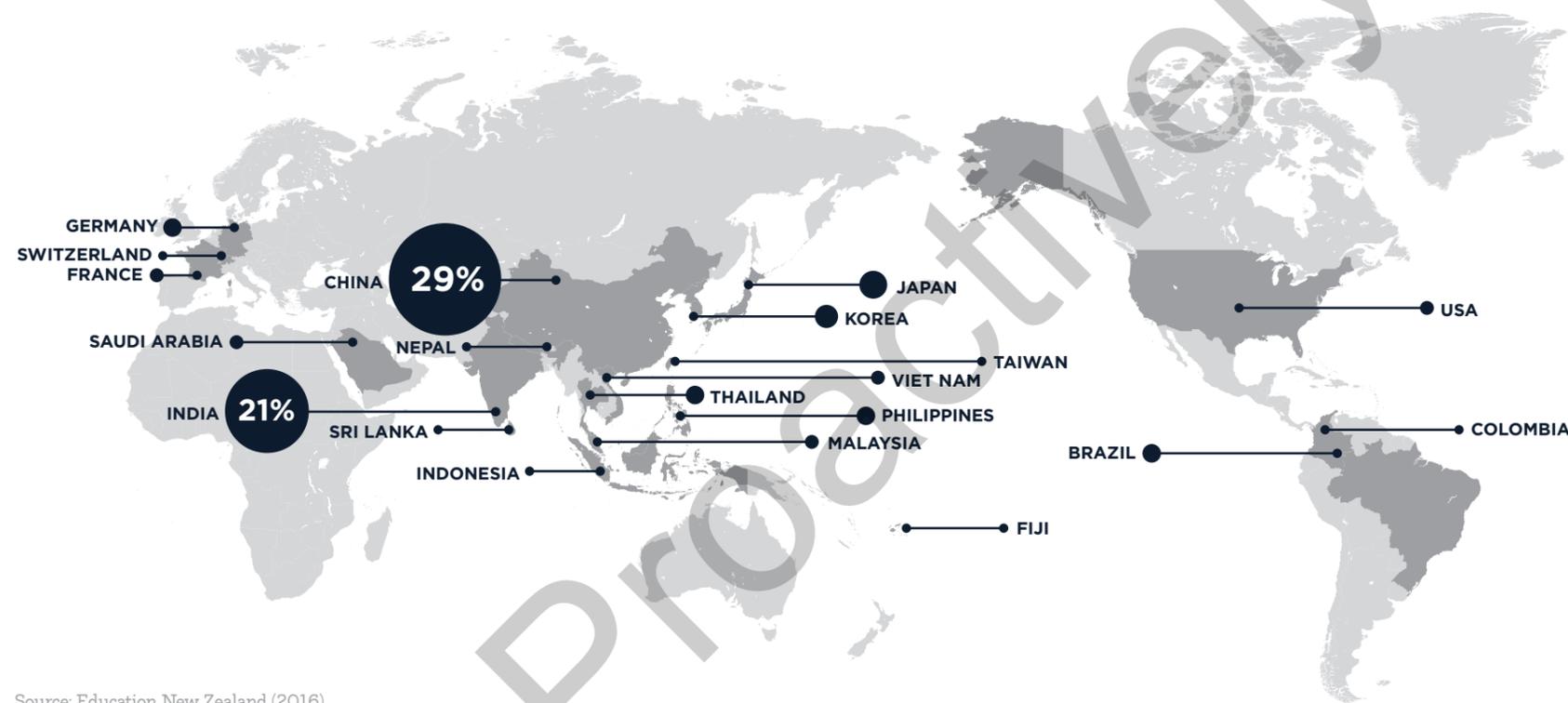


Source: Statistics New Zealand

The value of international education to NZ is much broader than just economic

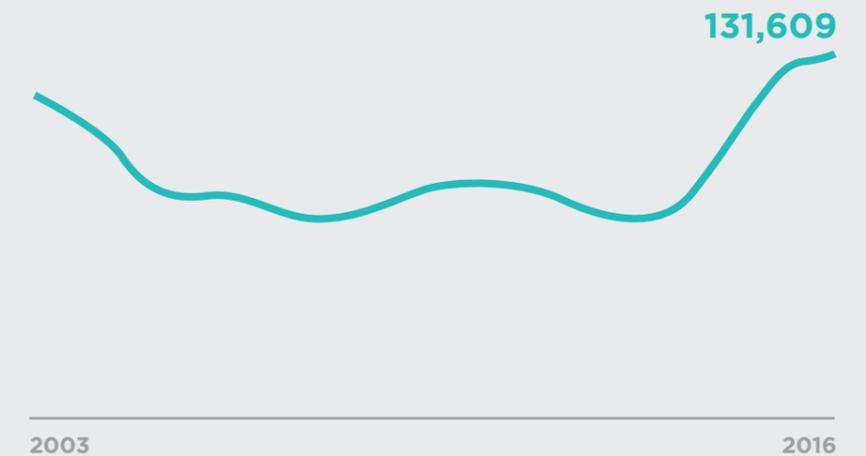


China leads, but our students come from all over the world



Source: Education New Zealand (2016)

While we have seen strong recent growth, student volumes have only recently surpassed levels seen over a decade ago



Source: Ministry of Education, Education Counts

Global context



Global demand for quality international education currently exceeds supply



The outlook for New Zealand looks good for the next 7-10 years, but beyond this a global oversupply situation will exist



International education providers are generally focused on maximising the short term benefits of international education



New Zealand needs to balance its focus on improving quality and value in the short to medium term alongside developing new approaches to remain globally competitive in the long term



ENZ is positioned to lead the industry for growth in quality and value over the next 7-10 years



Student flows are dependant on global settings, and will ebb and flow as our competitors' settings change

Quality education is at the heart of our student experience



We have options to sustain or grow the future value of international education without compromising on quality or the student experience



By changing the current sector mix and/or regional dispersion of international students New Zealand could influence quality, volume and value.

Source: Infometrics



Regulatory settings need to maintain an appropriate balance between enabling education providers to attract international students while managing labour market impacts and education quality issues

POTENTIAL IMPACTS INCLUDE:

- international students in part-time work during study displacing domestic workers and suppressing wages
- international graduates undertaking low-skilled and low-paid work, competing with domestic graduates and workers
- international graduates crowding out more experienced or skilled migrants from the residence programme
- exacerbating infrastructure constraints in high growth regions

