

Education Report: draft Cabinet paper – *A strategic recovery plan for the international education sector*

To:	Hon Chris Hipkins, Minister of Education		
Date:	28 May 2019	Priority:	High
Security Level:	In Confidence	METIS No:	1228985
Key Contact:	Belinda Himiona	DDI:	s 9(2)(a)
Messaging seen by Communications team:	No	Round Robin:	No

Purpose of Report

Attached to this briefing is a draft Cabinet paper: *A Strategic Recovery Plan for the International Education sector*. This Cabinet paper seeks:

- a. agreement to a high level Strategic Recovery Plan for the International Education sector (the Strategic Recovery Plan) to ensure the sector is rebuilt following the impacts of COVID-19. This will help the sector to recover, while also transforming it into a more diversified, resilient and higher value sector and ensure we can welcome international students back as soon as practicable.
- b. agreement to short, targeted engagement on the Strategic Recovery Plan, after which you can finalise the details in consultation with other International Education Ministers.

The aim is for a brief ministerial consultation process to be conducted prior to lodging the Cabinet paper on Thursday 11 June, for consideration by the Cabinet Social Wellbeing Committee (SWC) on Wednesday 17 June and Cabinet on 22 June.

Recommended Actions

The Ministry of Education recommends that you:

- a. **agree** to include the draft Cabinet paper *A Strategic Recovery Plan for the International Education sector* as an agenda item for the next Agency meeting.

Agree **Disagree**

- b. **note** that the attached draft Cabinet paper can be circulated for Ministerial consultation, with a view to a final version being lodged on Thursday 11 June, for consideration by the Cabinet Social Wellbeing Committee (SWC) on Wednesday 17 June and Cabinet on 22 June

Agree **Disagree**

- c. **agree** to receive further advice on an investment option to support the 'Unlocking the potential' workstream of the proposed Strategic Recovery Plan. Subject to your feedback this can be further progressed to be considered as part of the next COVID-19 Response and Recovery Fund (CRRF).

Agree **Disagree**

- d. **agree** that this briefing and the final Cabinet paper will be proactively released once associated Cabinet decisions and announcements have been made, with any redactions in line with the provisions of the Official Information Act 1982.

Release **Not release**



Belinda Himiona

Group Manager, International
Ministry of Education

28/05/2020



Hon Chris Hipkins

Minister of Education

31/5/2020

Background

1. COVID-19 is a major disrupter for international education, creating an opportunity to re-shape international education and accelerate progress towards the vision you set in the International Education Strategy 2018-2030 (the IES) of a thriving and globally connected New Zealand through world-class education.
2. However, without targeted intervention there is significant risk that providers will turn to a 'volume' focused approach to quickly regain lost revenue. Full impacts of COVID-19 on international education are unknown, but will be significant [METIS 1226485 refers].
3. At the International Education Strategy session on Wednesday 20 May you discussed the development of a Strategic Recovery Plan for the international education sector. Following the session, you directed the Ministry to develop a draft Cabinet paper on a proposed Strategic Recovery Plan, and to work with Education New Zealand to further develop a potential budget bid to support aspects of the recovery work.
4. A draft Cabinet paper is attached as Annex One. This:
 - a. provides an overview of how COVID-19 has impacted the sector and identifies some key issues and opportunities that have arisen as a result; and
 - b. provides a high level Strategic Recovery Plan that, subject to Ministerial approval and a short period of targeted sector engagement, can be finalised and announced to provide the sector with assurance and direction about how the government will seek to support the sector in the recovery from COVID-19 and the ensuing border restrictions.

Key points to note in draft Cabinet paper

Approach to recovery

5. The draft Cabinet paper proposes that the Strategic Recovery Plan is based on the vision and objectives of the IES so that sustainability, educational quality and student experience and wellbeing continue to be key strategic drivers. These can also be expanded to include more focus on ensuring sector resilience, reducing the levels of Crown risk, activating opportunities for innovation and to increase the public value international can generate for New Zealand.
6. It is proposed that the Strategic Recovery Plan is implemented over the next four years, and that it includes three key workstreams that will run concurrently to aid the recovery:
 - a. **Immediate response:** This phase is underway now and includes short term actions to help stabilise the sector and address some of the immediate impacts of COVID-19. Key actions include addressing short term financial hardship for international students; suspending 2020/21 Export Education Levy payments and reprioritising upcoming quality assurance activities to reduce compliance costs to provide short term relief for providers; [REDACTED] s 9(2)(f)(iv) [REDACTED] It is important to note however that international students are unlikely to be able to enter New Zealand in any significant numbers for some time, likely 2021.

- b. **Strengthening the system:** This phase will take place in 2020/21 and involves policy changes and direction to ensure key strategic drivers of increased sustainability, resilience, and broader public value are embedded across the foundations of the international education system over the medium to longer term. Work rights, student welfare and provider accountabilities for education quality and outcomes are key considerations in a post-COVID-19 labour market.
- c. **Unlocking potential:** This phase involves targeting new Crown investment towards opportunities and initiatives that will support the sector to recover. This will also enable the sector to pivot by undertaking new modes of delivery, regional development and education, and international engagement.

Investment to support 'Unlocking the potential' workstream

- 7. As discussed at the International Education Strategy session, activating some aspects of the proposed Strategic Recovery Plan will require investment and an initial figure of approximately **s 9(2)(f)(iv)** was discussed to support three key workstreams focussed on new modes of delivery, regional development and education, and international engagement and achieving wider government objectives.
- 8. Following the Strategy session, Education New Zealand has worked with the Ministry of Education to further develop advice on investment. As a result of further discussions and bid development the anticipated figure to fully implement the 'Unlocking the Potential' workstream of the Strategic Recovery Plan has increased to approximately **s 9(2)(f)(iv)**
- 9. Further work, including on scaling options, is being undertaken and further more detailed advice and a draft budget bid is being developed for inclusion in the next phase of the COVID-19 Response and Recovery Fund (CRRF). We can provide further advice on this and/or discuss this work with you in more detail at the next agency meeting if you request.

Next steps for Cabinet paper

- 10. The draft Cabinet paper can be discussed at the next Agency meeting and refined in accordance with any feedback you may have. Ministerial consultation can take place over the next week if you approve.
- 11. The intention is for the paper to be confirmed by Cabinet on 22 June. Following this, Education New Zealand and the Ministry of Education will lead a short period of targeted consultation with the sector to inform them of the proposed Strategic Recovery Plan and to discuss the overall approach and sequencing of work.

Annexes

s 9(2)(f)(iv)