Briefing Note: Meeting with the Tertiary Consultative Group

<table>
<thead>
<tr>
<th>To:</th>
<th>Hcn Chris Hipkins</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date:</td>
<td>9 July 2018</td>
</tr>
<tr>
<td>Priority:</td>
<td>Low / Medium / High</td>
</tr>
<tr>
<td>Security Level:</td>
<td>In Confidence</td>
</tr>
<tr>
<td>METIS No:</td>
<td></td>
</tr>
<tr>
<td>Drafter:</td>
<td>Lucy Husbands</td>
</tr>
<tr>
<td>DDI:</td>
<td></td>
</tr>
<tr>
<td>Key Contact:</td>
<td>Shelley Robertson</td>
</tr>
<tr>
<td>DDI:</td>
<td></td>
</tr>
<tr>
<td>Messaging seen by Communications team:</td>
<td>Yes / No</td>
</tr>
<tr>
<td>Round Robin:</td>
<td>Yes / No</td>
</tr>
</tbody>
</table>

Purpose of Report

The purpose of this paper is for you to:

**Note** that you are meeting for the first time with the Tertiary Consultative Group on Tuesday, 10 July 2018.

**Agree** that this Briefing will be proactively released, subject to your approval.

This briefing provides you with speaking notes for the meeting, an agenda and a list of the groups attending. We have also provided an annex with issues group members have raised prior to the meeting.

Summary

On Tuesday 10 July from 1.15 – 2pm you will be meeting with members of the Tertiary Consultative Group (TCG). This is the first meeting of the group. You have established the group as a forum for you to to ensure the Government’s Education Work Programme is progressed in partnership with representatives from the tertiary sector. The list of TCG membership organisations is attached as annex 2.

Included in the invite to the first meeting, attendees were asked to provide proposals for agenda items. Attendees have suggested a broad range of topics be discussed during the meeting. We expect you will be unable to address the full range of items proposed by attendees. We propose you thank attendees for their interest and suggest you will cover as much of interest as you can. We propose you suggest officials will take the remaining issues up in further TCG meetings.

Included in the agenda are some of the most significant issues raised by attendees. A full outline of the issues raised and potential talking points, if needed, are included in annex 1.
This briefing provides you with background information and talking points for discussion on the agenda items.

Shelley Robertson
Acting Group Manager

Hon Chris Hipkins
Minister of Education

09/07/2018

10/07/18
Purpose of Tertiary Consultative Group meeting

1. You are meeting with the Tertiary Consultative Group (TCG) for the first time on Tuesday, 10 July 2018. This group has been formed to help ensure the Government’s Education Work Programme is progressed in partnership with representatives from the tertiary sector. The TCG will help guide the development of a high quality education system that provides all New Zealanders with lifelong learning opportunities.

2. The TCG is a forum for you to engage with students, tertiary education organisations, unions, business and key sector bodies on key strategic issues. The TCG forms part of the Government’s commitment to work together in partnership to deliver quality tertiary education. The TCG builds on the Education Conversation | Kōrero Mātauranga and the Education Summits. The TCG will meet six monthly and does not replace existing meetings with key stakeholders or broader consultation on specific priorities.

3. This first meeting of the TCG provides you with an opportunity to set the agenda for the group and to set out your vision for tertiary education and your education work programme. Attendees were invited to provide proposals for agenda items. Attendees have suggested a broad range of topics be discussed during the meeting. These are included in the agenda outlined below, along with talking points.

Agenda item 1: Welcome and purpose of the Tertiary Education Consultative Group

4. You may wish to begin by welcoming everyone and confirming the purpose of the TCG and the meeting.

5. Key points for your remarks:
   - We are setting a clear direction for the future of tertiary education in New Zealand. The future is centred on quality, student experience, barrier-free access, and life-long learning and skills for the future workforce.
   - Tertiary education is vital to New Zealand’s economic and social success, and this success depends on a collaborative approach to ensure the best possible outcomes for New Zealand and New Zealanders.
   - We have an ambitious work programme for tertiary education under way which I will touch on throughout this meeting. The programme is building from the Education Conversation | Kōrero Mātauranga and is being developed in collaboration with the education sector and wider communities.
   - I am establishing this Tertiary Consultative Group to work with you on aligning our collective efforts to achieve our strategic goals.
   - I am committed to ensuring the Government’s tertiary education work programme is progressed in partnership with those who know the tertiary sector best, and that it achieves our vision.
   - The purpose of this group is also to provide an opportunity to test ideas and to seek feedback on policies and wider government plans. The TCG will meet six monthly and does not replace existing meetings with key stakeholders or broader consultation on specific priorities. The group may also wish to work with officials as required at other times.
Agenda item 2: How the TCG may work together

6. You may wish to invite discussion about how the TCG can work together to support and advance a collective strategic vision and the Government's education work programme.

7. Key points for your remarks:
   - How can this diverse group work together to support a shared strategic vision for the tertiary sector?
   - What are the big issues facing the tertiary education sector, and what can we do together to help address them?
   - How can we work together to help support the Government's education work programme and to achieve the best possible outcomes? This includes the collaborative development of the Tertiary Education Strategy.
   - I want your views on how we can build a high quality education system that provides all New Zealanders with lifelong learning opportunities so that they can discover and develop their full potential, engage fully in society, and lead rewarding and fulfilling lives. How can the TCG support the transformations required?

Agenda item 3: Education work programme update and issues raised by members

8. Attendees have suggested a broad and numerous range of topics be discussed during the meeting. You are unlikely to be able to cover the full range of issues attendees have raised (attached as annex 1). Below are speaking points which cover some of the key issues raised and highlight priority work areas.

9. Key points for your remarks:

Funding and investment

10. Most of the group members will be interested in the Government's approach to funding the tertiary education sector. Of specific note, Te Taulhu O Ngā Wānanga have raised the matter of funding models that recognise cultural settings, significant and multiple barriers to learning, and rural to remote settings.

11. Key points for your remarks:
   - I am looking for a tertiary education system that strongly contributes to the wellbeing of New Zealanders by making learning a core and accessible aspect of people's lives as their circumstances change, supporting communities and local, regional and national economies to provide prosperity and opportunity for all New Zealanders, and increasing knowledge and skills.
   - Government's first priority has been to reduce the financial barriers of learners engaging in tertiary education.
   - We are committed to improving the fees-free tertiary education policy over time, and we have work underway on the future model for fees-free. This may look quite different to the interim solution delivered for 2018. Stakeholders can expect to be engaged on any design changes to the fees-free policy.
• Government's priority focus is on reducing the financial barriers of learners engaging in tertiary education, and it is expected behaviour will change over time.

• Current reviews of the Vocational Education and Training (VET) and Institutes of Technology and Polytechnics (ITP) systems are expected to lead to changes to ensure sustainable delivery across New Zealand, including in regions, that is responsive to meet the needs of learners, employers and communities. Funding system change is on the table in these reviews.

• Last month I was able to announce Government's investment of an additional $31.7 million a year, as a first step. I have increased Student Achievement Component funding rates by 1.6% for 2019. I would have liked to fund a wider range of priorities, but there was only a limited amount of funding available. We have decided to prioritise providers to protect programmes needed by local communities and ensure quality across the board is maintained.

• I am also consulting on a 2% increase to the Annual Maximum Fee Movement for 2019, which strikes a balance between protecting the affordability of tertiary education for students, while allowing tertiary education providers to increase their revenue.

• I am committed to addressing funding pressures in the system to help maintain the quality of tertiary education. I am aware that current pressures in the system are challenging the tertiary funding system, and I want to look at some of the existing policy settings. I have asked officials for advice on how to sequence this longer-term work alongside the reviews already underway.

Vocational Education and Training review update

12. Independent Tertiary Education New Zealand (ITENZ) has asked for an update on the VET review. We recently briefed you on the VET system review (Metis 1126645 refers) which will be discussed at a strategy session at 9.30am on 10 July. We expect it will take some time to work through the proposals in that paper to agree the shape of VET system change and test it with your colleagues. In the meantime, we suggest the following talking points:

• The scope and process for the review were announced in April, and a paper detailing this is available on the Ministry's website. Officials are also happy to talk further about the review if any TCG members are interested.

• Since April, the focus has been on gathering more information about the review, through interviews with a wide range of VET stakeholders, and through data analysis and international comparisons.

• I have just received advice on the preliminary findings of the VET system review, and am considering it.

• Once I have had a chance to do that, Ministry of Education officials will update stakeholders about the next steps for the review.

• They will also release a summary of what they heard stakeholders in the first phase of the work.

National Certificate of Educational Achievement review update

13. Independent Tertiary Education New Zealand has asked for an update on the NCEA review.
Consultation on the NCEA review is underway. So far there have been over 3000 responses online and we are on track for over 1500 direct engagements with people through workshops, interviews and focus groups around the country.

I recognise the importance of engaging broadly and with the tertiary sector on the NCEA review. The Chair of the NCEA Review Ministerial Advisory Group, Jeremy Baker, was formerly Executive Director at the Industry Training Federation, and has experience across several tertiary sector roles. The Reference Group also contains multiple representatives from across tertiary with representatives from the Industry Training Federation (ITF), universities, industry training organisations (ITOs) and other tertiary education organisations (TEOs).

You have all received invitations to contribute to the NCEA Review and we welcome your feedback. Tertiary education organisations are really important stakeholders for the review, and you will all have useful perspectives to share - all of you receive NCEA graduates; many of you are involved in working with schools to deliver secondary-tertiary programmes, and a number of foundation education providers are involved in delivering NCEA.

The Ministry is currently planning some additional targeted workshops with the tertiary education sector, so you can look forward to receiving more information about these in the next few weeks.

In November the Ministry will receive an independent report on the outcomes of consultation, which will be made available to the public and will work on designing and testing possible changes with the sector from there.

**Career systems strategy and improving careers advice and information**

14. Both Business New Zealand and the Industry Training Federation (ITF) have raised issues around career pathways and advice. Business New Zealand have asked how we can work together to raise the understanding and prestige of pathways leading to vocations and trades. ITF have asked for your thoughts on the role ITOs can play.

I understand the fragmentation of New Zealand’s careers and skills system is an unnecessary impediment to progress and has been allowed to manifest at a policy, a service delivery and operational level.

For the next generation of people entering the workforce it is essential they are given the skills and learning opportunities to be resilient and adaptable. We need to shift the focus away from just jobs and qualifications towards skills and competencies.

We need to work together to connect employers to education organisations, including schools, and promote the pathways and options leading to vocations and trades, further developing skills of the workforce.

I understand the Tertiary Education Commission is working with representatives of the organisations here today and I encourage them to continue to do so.

It is a Government priority to improve career advice in schools. I understand the Ministry of Education (MoE) is working on this.
Crown Māori Relations

Te Tauihu O Ngā Wānanga have asked to discuss the "Treaty Crown Relationship".

- This government is committed to strengthening Crown Māori relationships and establishing more consistent approaches to address contemporary Treaty matters generally. This work is led by the Minister for Crown/Māori Relations.

- I am committed to engaging directly and collaboratively with Māori on priority Māori education matters. I am seeking to invoke more responsive and flexible ways of working on Treaty related tertiary matters to ensure that our collective efforts can be focused on improving outcomes for Māori students. I recognise the unique contribution and role of Wānanga in the tertiary education sector and want to ensure the policy supports Wānanga to be sustainable and successful so that they can deliver on their legislative role.

- I know there are some longstanding strategic matters that it will be important for the Crown to work through with Wānanga in order to successfully progress to a healthy and productive relationship.

Agenda item 4: Closing remarks

15. You may wish to thank the members for their attendance and commitment to a world class tertiary education sector.

16. Key points for your remarks:

- Reiterate that the remaining issues suggested by members will be addressed in further meetings by officials

- Outline that you look forward to working in partnership with the TCG and the sector to achieve a shared strategic vision for tertiary education and to deliver the best possible outcomes for New Zealand and New Zealanders.
Annexes

Please list annexes by title.  For example:

Annex one:  Additional talking points for specific issues suggested by TCG members
Annex two:  List of TCG members
Annex one: Additional talking points for specific issues suggested by TCG members

ACE Aotearoa

17. ACE Aotearoa have asked for the Minister to outline his policy direction for adult community education.
   - The government wants to see the ACE sector develop in a sustainable way. We need to consider the best approach to do this, and that recognises the diverse settings and ways in which ACE is delivered.
   - Options to rebuild capability will need to be discussed with the sector. The sector’s engagement and support for action is essential for rebuilding capability, and improving the reach of lifelong learning opportunities.
   - I’d like to consider the ACE funding priorities, and whether we’ve got the right mix of priorities.
   - I am keen to work with the sector in progressing government’s priorities for ACE. I am interested in how the network of provision of ACE providers can contribute to the government’s vision for ACE.

Te Tauihu O Ngā Wānanga

18. Te Tauihu O Ngā Wānanga have asked to discuss funding models that recognise cultural settings, significant and multiple barriers to learning and rural to remote settings. Funding issues are covered in the agenda.

19. They have also asked to discuss Tikanga competency within agencies that engage with the Wananga sector.
   - **Tikanga competency:** I welcome your feedback on the Tikanga Competency of agencies and staff generally to appropriately engage with and understand the wānanga sector.
   - The Ministry of Education and other education agencies accept that staff capability and knowledge are critical to understanding and innovating within productive Te Tiriti o Waitangi based partnerships. The cultural capability of staff is something that agencies need to prioritise and deliberately build.
   - The Ministry of Education is concerned about factors such as racism and bias across the education sector and has prioritised capability building to lift the racial equity awareness of its staff. This will be followed by a focus on Te Tiriti o Waitangi capability. While this is different to tikanga capability it is a foundation and the organisational approach identifies te reo Māori and cultural development as additional steps.
   - From March to the end of June 2018 more than 170 senior Ministry of Education staff including the Leadership team completed 2 day Beyond Diversity Training.

Ako Aotearoa

20. Ako Aotearoa have asked about investing in tertiary sector educational capability through professional learning and development, networks of learning and communities of practice. They have also raised the issue of professional standards for tertiary teaching in collaboration with the sector and supporting the success of Māori and Pacific learners through initiatives to build cultural capability.
• **Investing in tertiary sector educational capability:** The Education Conversations have emphasised the need to focus on the quality of teaching. We need to rebuild an educational environment that is characterised by high levels of trust. We want teaching professionals to engage in professional development. We want tertiary education providers to provide high quality education.

• In the tertiary sector, the MoE’s influence on teaching quality is indirect. We need to think carefully about how to support and encourage high quality teaching and learning through funding, regulatory, and information levers. Tertiary education providers need to think about how to best support learners. They need to continue to improve the quality of teaching. We need these improvements to be underpinned by sound evidence about what works.

• The previous Labour-led Government established Ako Aotearoa to build tertiary teaching capability. We need to continue to emphasise the need for tertiary teaching excellence. Your organisation continues to do a great job supporting and developing teacher capability. But we need to do more.

• The Tertiary Education Strategy provides a useful place to put learners and quality teaching at the heart of what we do. Over the next few months, I encourage you to engage with the development of the Tertiary Education Strategy.

• **Professional standards for tertiary teaching in collaboration with the sector:** The Government is committed to quality teaching. We need to have a respected teaching profession. No matter where the learner is located, we need tertiary teachers who strive for excellence. We want a respected and supported tertiary profession. I encourage Ako Aotearoa to continue its work on building teaching quality, including the work on professional standards.

• **Success of Māori and Pacific learners through initiatives to build cultural capability:** I would be interested to hear about the initiatives Ako Aotearoa have in mind, and if there are policy settings we can change to better support you. I would be interested in working with you on this through the development of the Tertiary Education Strategy.

**Industry Training Federation**

21. The Industry Training Federation (ITF) have raised questions about Micro-credentials and the Career Systems Strategy. They are concerned that ITOs may be excluded from participating in micro-credentials. They are also interested in the Minister’s thoughts on the role ITOs can play in supporting schools to offer pathways to employment and training.

• **Micro-credentials:** Micro-credentials should, in the first instance, focus on skills and development opportunities not currently catered for in the tertiary education system, for which there is demonstrable support from industry, employers, professional associations, iwi and the community.

• The goal is to increase system responsiveness to unmet education and skills needs, while anticipating and mitigating unintended consequences.

• In response to your question about whether the training scheme mechanism enables micro-credentials to be delivered in the workplace, NZQA considers that employers and ITOs could work in partnership with providers but accept that may not be optimally efficient and therefore NZQA is amending the Consent to Assess rules to enable industry training micro-credentials to be approved. NZQA, TEC and MOE have
engaged with the ITF over the proposed amendments and this work is progressing well (note for Minister: and will be added to the other ten rule set changes that will require your consideration in the next week or so).

- A formal announcement about the new micro-credentials system is likely to be made in July, with applications able to be processed by NZQA from August or September.

**Independent Tertiary Education New Zealand**

22. Independent tertiary education New Zealand (ITENZ) has asked for information on post work study rights and what the current predictions are based on. They suggest any proposed changes would need to give the sector 2 years to adjust, so there is not a dramatically negative impact. We have provided information on how the predictions have been calculated in an appendix.

23. ITENZ have raised issue with the Youth Guarantee restriction that only 10 percent of student enrolling in vocational training are able to enrol in another level 2 course. They additionally point out the youth funding rate has not been increased. ITENZ have also asked for an update on the NCEA review and the VET review. The NCEA and VET reviews are covered in the agenda items.

- **Review of post-work study rights**: MBIE has done the analysis and assessed potential impacts using student visa data on total visas issued, and how many students have transitioned to a post-study work visa or other visa in the past.

- MBIE and MOE officials are now working closely together to refine post-study work rights proposals to reflect feedback received throughout the consultation period.

- MBIE is working through the implementation detail of the proposed changes and will have taken the ITENZ submission into account.

- **Youth Guarantee**: We want to see more learners with Level 2 qualifications enrolling directly into study at a higher level, rather than repeating foundation learning at Level 2. The current funding condition which sets limits on the proportion of learners providers can enrol who already have a qualification at the same or similar level was put in place to address very high levels of enrolment ‘churn’ in foundation education. In 2016, almost half of 18-19 year olds enrolling in foundation tertiary education at Level 2, already had a Level 2 qualification.

- Youth Guarantee Fees-Free has had mixed performance. It has supported education engagement and achievement at Level 2, but has had very limited impact on progression to higher study or employment. Future funding rates will be considered alongside other potential changes to increase the effectiveness of the programme.
## Annex 2: Tertiary Consultative Group Members

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Background information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ace Aotearoa</td>
<td>Adult and Community Education (ACE) Aotearoa is the lead body for adult and community educators.</td>
</tr>
<tr>
<td>Ako Aotearoa</td>
<td>Ako Aotearoa assists educators and organisations to enhance the effectiveness of their tertiary teaching and learning practices.</td>
</tr>
<tr>
<td>Business NZ</td>
<td>Business NZ advocates for enterprise and promotes the voice of businesses across New Zealand.</td>
</tr>
<tr>
<td>Independent Tertiary Education NZ (ITENZ)</td>
<td>ITENZ is the largest peak body representing private training establishments nationwide.</td>
</tr>
<tr>
<td>Industry Training Federation</td>
<td>The Industry Training Federation represents all of New Zealand’s recognised Industry Training Organisations.</td>
</tr>
<tr>
<td>Te Mana Ākonga</td>
<td>Te Mana Ākonga (TMA) is the national Māori student body.</td>
</tr>
<tr>
<td>New Zealand Institutes of Technology and Polytechnics (NZITP)</td>
<td>NZITP is the peak body for the Institutes of Technology and Polytechnics.</td>
</tr>
<tr>
<td>New Zealand Union of Student Associations (NZUSA)</td>
<td>The NZUSA advocates for the common and collective concerns of students. It represents six of the university student unions and has four associate members from the ITP sector.</td>
</tr>
<tr>
<td>Quality Tertiary Institutions</td>
<td>Quality Tertiary Institutions is the peak body that represents twelve private training establishments.</td>
</tr>
<tr>
<td>Tertiary Education Union</td>
<td>The Tertiary Education Union is the main union in the tertiary education sector.</td>
</tr>
<tr>
<td>Te Tauihu o Nga Wānanga</td>
<td>Te Tauihu o Nga Wānanga is the peak body for the three wānanga.</td>
</tr>
<tr>
<td>Tertiary Institutes Allied Staff Association (TIASA) Te Hononga</td>
<td>TIASA Te Hononga is the major professional staff association and union representing most allied (non-teaching) staff employed across the NZ tertiary education sector.</td>
</tr>
<tr>
<td>Universities New Zealand – Te Pōkai Tara</td>
<td>Universities NZ is the peak body for the eight universities.</td>
</tr>
<tr>
<td>New Zealand Council of Trade Unions</td>
<td>The NZ Council of Trade Unions brings together a collective voice for 31 affiliated trade unions.</td>
</tr>
</tbody>
</table>