

Cabinet Paper material

Proactive release

Minister & portfolio Hon Chris Hipkins, Minister of Education
Name of package A Strategic Recovery Plan for the International Education Sector
Date considered 22 June 2020

These documents have been proactively released:

Cabinet paper: A Strategic Recovery Plan for the International Education Sector
22 June 2020
Ministry of Education

Cabinet Minute: SWC-20-MIN-0079
22 June 2020
Cabinet office

CAB-20-MIN-0295 Report of the Cabinet Social Wellbeing Committee Minute
22 June 2020
Cabinet office

Material redacted

Some deletions have been made from the documents in line with withholding grounds under the Official Information Act 1982. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

The applicable withholding grounds under the Act are as follows:

Section 9(2)(f)(iv) to protect the confidentiality of advice tendered by Ministers of the Crown and officials

Some deletions have been made from the documents as the information withheld does not fall within scope of the Minister's portfolio responsibilities, and is not relevant to the proactive release of this material.

You can read the Official Information Act 1982 here:

<http://legislation.govt.nz/act/public/1982/0156/latest/DLM64785.html>

In Confidence

Office of the Minister of Education

Chair, Cabinet Social Wellbeing Committee

A STRATEGIC RECOVERY PLAN FOR THE INTERNATIONAL EDUCATION SECTOR

Proposal

- 1 I seek 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.
- 2 I also seek agreement to short, targeted engagement on the Strategic Recovery Plan, following which I will finalise the details in consultation with International Education Ministers.

Relation to government priorities

- 3 Supporting the recovery and transformation of International Education will contribute to the wider government work on COVID-19 response and recovery. It also aligns with, and will feed into, work on a refreshed Industry Strategy that identifies international education as a key sector of focus.

Executive Summary

- 4 International education can play an important part in New Zealand's recovery from the COVID-19 crisis, and in the country's future wellbeing.
- 5 Before COVID-19, the export of education services was New Zealand's fifth largest source of export revenue, and was estimated to have generated around \$4.94 billion in value¹ to the New Zealand economy in 2018. This value included approximately \$1.1 billion generated from students' fees. International education also supports around 45,000 jobs across the economy.
- 6 The sector has been hit hard by the pandemic and the ensuing border restrictions. The full impact is not yet known, but it does include a significant reduction in student volumes and in the revenue generated from student fees. Preliminary modelling suggests that revenue loss in 2020 alone will be around \$600 million. This loss will have a range of implications across international education provider sub-sectors, as well as implications for the domestic education system.
- 7 But the COVID-19 crisis has also created an opportunity to leverage New Zealand's increased international reputation due to its handling of the crisis, and to rebuild a more diverse, resilient and sustainable sector.

¹ Note that this does not include additional value generated from friends and family that visit international students in New Zealand.

- 8 Achieving the potential of the sector will require strengthening and resetting aspects of the system to address some underlying issues. These include reliance on certain markets and low-value, high-volume business models which have generated quality issues and financial risk for parts of the sector, including Crown owned institutions. It will also require a multi-year investment in marketing, building capability within the sector and re-orienting the sector towards more sustainable business models.
- 9 My proposal is a Strategic Recovery Plan with three key components:
 - 9.1 **Transition and economic stimulus:** 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 supporting 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; targeted assistance to private training establishments (PTEs) key to sector recovery, and establishing options to include international students as a priority cohort when borders start reopening. 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.
 - 9.2 **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, offshore delivery, Crown risk and provider accountabilities for education quality and outcomes are key considerations in a post-COVID-19 labour market. Sector consultation will take place as needed as part of normal policy development processes.
 - 9.3 **Transforming to a more sustainable future state:** This phase involves targeting new Crown investment towards opportunities and initiatives that will support the sector to transition over the medium to longer term to ensure the sector is more resilient in the future. Key initiatives will enable the sector to pivot by diversifying products and services to extend reach including enabling providers to deliver offshore; supporting, transitioning and growing international education businesses in New Zealand; refocussing marketing and promotion; and activating partnerships and global citizenship opportunities. There will be opportunities for sector consultation and co-design as this phase is progressed.
- 10 Implementing the Strategic Recovery Plan will require government investment, and I will seek funding to activate the 'Transition and economic stimulus' and 'Transforming to a more sustainable future state' workstreams. The investment supports a mix of immediate stimulus spending to provide as much impact for New Zealand providers as possible, whilst balancing the need to transform the sector to provide a much broader and more sustainable range of benefits and improved outcomes for New Zealand.

Background

- 11 Before COVID-19, the export of education services was New Zealand's fifth largest source of export revenue, and was estimated to have generated around \$4.94 billion

in value² to the New Zealand economy in 2018. This value included approximately \$1.1 billion generated from students' fees. International education also supports around 45,000 jobs across the economy.

- 12 International education includes international students coming here to study, New Zealanders travelling the world to experience a global component in their education, and people anywhere, online and internationally, learning through quality products, services and approaches built in New Zealand. Due to the revenue and other benefits that it can generate, international education is a highly competitive global market.
- 13 The sector includes approximately 840 providers, and is diverse with a range of sub-sectors including schools, universities, Institutes of Technology and Polytechnics (ITPs), and PTEs (including English language providers). It also intersects with a range of government portfolios, particularly education, immigration, tourism, trade and foreign affairs.
- 14 The sector had grown rapidly over the last decade. International fee-paying students in New Zealand increased by 48% between 2006 and 2016 (from 47,700 to 70,390 equivalent full-time international students). While this resulted in a significant increase in the economic value of the sector, it also resulted in some issues, including poor student experiences while in New Zealand, and costly quality-related issues. There were also concerns about recruitment of students primarily motivated by work rights and pathways to residency, and providers focussing on volumes and revenues, rather than for education outcomes.

New strategic direction for the sector agreed in 2018

- 15 Cabinet approved the launch of the International Education Strategy 2018-2030³ (the IES) in late 2018 to signal a new vision and clear objectives for international education.
- 16 This included an important 'volume to value' strategic shift. We agreed to move the focus from international education being a revenue generating export industry focused on attracting high volumes of students, to one that focuses on quality of education, higher value students and markets, incorporates domestic students and global competencies, and contributes to economic, social, and cultural benefits for New Zealand. Student wellbeing has also increased as a key priority.
- 17 The changed emphasis of the IES was starting to have an impact with, for example, the removal of some poor quality PTEs and a greater focus on student wellbeing. There were also some indications that a 'volume to value' shift could be starting to occur (with approximately 20,000 fewer students in 2019 than 2017, but average

² Note that this does not include additional value generated from friends and family that visit international students in New Zealand.

³ The Strategy was jointly developed by the Ministry of Education (MoE) and Education New Zealand (ENZ), in partnership with the Ministry of Business Innovation and Employment (MBIE), the New Zealand Qualifications Authority (NZQA), Tertiary Education Commission (TEC), the Ministry of Foreign Affairs and Trade (MFAT), and the Education Review Office (ERO). Under the leadership of International Education Ministers these agencies are now collectively responsible for the implementation of the Strategy.

tuition fees increasing). However, 2019 immigration data indicated that this potential shift was unlikely to continue⁴.

COVID-19 has had a significant impact on the international education sector, creating risks and challenges ...

- 18 The outlook for the sector over the next few years will be challenging. Strict border controls and the international market response to COVID-19 have effectively resulted in the collapse of the industry globally. There is also uncertainty about how international markets will respond as travel becomes possible again, and what the strategic recovery approaches of 'competitor' countries will include and how they will influence the New Zealand market. It is also difficult to predict the implications of lost provider capability and capacity that is likely to result from the closure of some providers and the retrenchment of funded providers.
- 19 The full impact that COVID-19 will have on the international education sector is not yet known, but it does include a significant reduction in student volumes and in the revenue generated from student fees. Preliminary modelling suggests that revenue loss in 2020 alone will be around \$600 million. This loss will have a range of implications across international education provider sub-sectors, as well as implications for the domestic education system.
- 20 English language schools and other PTEs will be particularly impacted, and some will close. All universities ran a surplus last year and are better placed to manage lower revenues for 2020 than other sub-sectors. This will not mitigate the significant revenue losses but does mean this sub-sector has a greater level of resilience than others.
- 21 Schools have also been significantly impacted. Separately I have work underway to look at transitional funding to soften the impact for schools as a result of the changes in international student enrolments.
- 22 There are a number of risks that relate to the sector's ability to respond to significant shocks and movement towards the IES strategic vision. The sector has a high level of reliance on a few markets, with the Crown carrying a significant proportion of the risk in the event of provider failure. There is also a risk that without intervention in the context of COVID-19 disruption, the sector might return fully to focusing on student volume to regain lost revenue once border restrictions ease.
- 23 Since January this year agencies have worked to manage immediate risks and to build a robust and coordinated COVID-19 response. The scope of work has been broad, including immediate operational concerns, the repatriation of students (including minors), and ensuring that providers have accurate and timely advice in a complex and rapidly evolving situation. This communication to providers has covered a wide range of issues including minimising the immediate disruption, accommodation issues, provider viability concerns, and the management of public health requirements in an educational context.
- 24 Work had also begun on establishing a Chief Executives group to provide oversight and guidance of COVID-19 and recovery work for international education. This has not been progressed because more effective oversight can now be provided by a

⁴ Volumes of student visa applications were continuing to increase, but approval rates were declining across all sub-sectors, suggesting that high risk and/or low quality applications were being received. Some provider behaviour also appeared to continue to be largely driven by economic and volume growth objectives.

formal governance arrangement being established to guide work on the reopening of borders.

... but also opportunities to reset and redefine the sector as it recovers

- 25 Recovery will take time but COVID-19 has also provided opportunities to continue and accelerate progress towards the vision we set for 2030, and to further extend or refresh some aspects of the IES.
- 26 For example:
- 26.1 **New Zealand has gained international recognition for our response and management of COVID-19.** This is a key competitive advantage that we can harness to help our international education recover more quickly than our competitors, and to create opportunities for strong strategic international education partnerships.
- 26.2 **There has been significant and rapid investment in digital capabilities and resources across the broader education system** to manage the period of lockdown and uncertainty for both domestic and international students. New Zealand's international education offering can now capitalise on this investment, which may have taken years to build otherwise.
- 26.3 The halt on international travel provides an opportunity to **redefine how some of the sector value is generated.** For example, the government can encourage the sector to rebuild in a way that is less reliant on student mobility which causes environmental strain, and place more focus on maximising the uptake of online delivery for students offshore.
- 26.4 As we look to attract international students back to New Zealand **we can shift and target marketing and promotion efforts towards students and markets that generate better outcomes for New Zealand and the students themselves.**
- 27 There is also opportunity to align recovery efforts, where appropriate, with other sectors (e.g. tourism) that have been significantly impacted by COVID-19.

Future of International education

- 28 International education can be prioritised as part of government's early and broad COVID-19 economic recovery effort. There is a significant and unique opportunity to rebuild a sector so that it delivers better and broader value than it did before COVID-19. This response can look to maximise outcomes for New Zealand at the same time as ensuring international students have a positive and quality educational experience.
- 29 Government intervention to support the recovery of the international education sector will help ensure New Zealand maximises the wide range of benefits and public value the sector can bring and to manage associated risk. This extends beyond financial revenue, to a range of other types of value including generating jobs, growing the local economy, attracting skilled talent to New Zealand, enriching and supporting the domestic education system, providing educational opportunities for New Zealanders, supporting New Zealand's diplomatic outreach and increasing the cultural competency of New Zealanders.

Approach and priorities for the recovery

- 30 The approach and phasing of recovery has already begun and will be tailored appropriately as the global COVID-19 situation evolves, more decisions are made about the reopening of borders, and to meet any changing public health requirements.
- 31 I have publicly signalled work to develop a Strategic Recovery Plan for the sector. While there is significant uncertainty around the reopening of borders and any associated quarantine requirements, the sector has indicated that provider and student confidence and planning can be supported by quickly providing some certainty about the direction, focus, and likely speed of recovery efforts.
- 32 I propose 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.
- 33 I propose that the Strategic Recovery Plan includes three key components over the next four years. These phases should begin now and will run concurrently to aid the recovery.
- 34 The first component, a **‘transition and economic stimulus’** phase takes a three to twelve month, short term focus on stabilising the sector following COVID-19. I am already progressing a number of key actions including:
- 34.1 **Reducing pressure on the Export Education Levy (EEL)⁵ and providers** by overriding payment obligations for Levy payment for 2020/21, and maintaining services funded by the Levy.
- 34.2 s 9(2)(f)(iv)
- 34.3 **Providing targeted assistance to PTE’s** aligned with the plan to ensure that there is a strategic sector footprint for recovery. This will be similar to the approach being taken for the recovery of the tourism sector.
- 34.4 Work has also been progressed through NZQA to **reprioritise upcoming quality assurance activities to reduce compliance costs, and to enable providers to deliver offshore.**
- 35 The second component, **‘strengthening the system’**, can also begin now and be phased over the next one to four years. This work is necessary to support successful

⁵ Education providers who enrol international fee-paying students are required to pay an Export Education Levy (EEL). The levy is used to support a range of activities and projects relating to the international education sector, including promotion and marketing, and quality assurance.

transformation of the sector in line with the vision of the IES. The objective will be 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 to shape the future state of the sector and the outcomes that are achieved for New Zealand.

36 Key workstreams in the 'strengthening the system' phase are:

- 36.1 **Steering the system** – this focuses on cross-government macro policy settings and funding to guide recovery and shape the future of international education. It will ensure that there are clear connections with broader government objectives; that New Zealand's international education sector is targeted toward high value student cohorts; and that the sector supports strategic international partnerships and quality opportunities for New Zealanders to study overseas. It will also include a review of how activities that support the sector are funded, with a particular focus on the EEL and how it is managed.
- 36.2 **Strengthening the foundations** – this focuses on strengthening the regulatory system to improve education quality and support recovery objectives. It includes ensuring the education system works alongside the immigration system to provide education offerings that drive targeted enrolments and deliver quality education that is sought after internationally.
- 36.3 **The education offer** – this will confirm how key education settings work alongside work rights as part of the education 'offer' that New Zealand makes to different cohorts of international students. It includes focus on the regulation of education quality and student recruitment and using immigration settings to ensure that education quality, not work rights, is the primary driver of student attraction. It includes a focus on immigration choices for government and the regulation of student recruitment, contracting and enrolment, ensuring that providers are responsible for the offers they make.

International education in most countries can include an element of work experience, either during or after study, and many students value that as part of the total experience to build their future employability at home. However, domestic work rights may need to be revisited in New Zealand, to ensure that international students are not competing with New Zealanders for scarce employment. At the same time settings will need to be examined to ensure students have adequate funds to support themselves, and to strengthen pastoral care obligations and migrant exploitation assurances. Any tightening of work rights may make New Zealand less attractive to some student groups.

- 36.4 **Increasing sector resilience and managing level of Crown risk** – this will focus on sector sustainability and resilience. It will determine the extent to which the sector can become more diversified both in terms of the 'products' offered, the markets we focus on, and how key risks are managed. Work will be needed on better understanding the level of risk that the Crown is willing to be exposed to. No policy settings currently exist in this area, but COVID-19 has highlighted significant levels of Crown risk exposure. A high risk tolerance has been accepted, in part, because it has reduced pressure on Crown funding for education and because the sector makes a significant contribution to the domestic education system through international education fee revenue.

- 36.5 **Refocusing our international connections** - this workstream will look to establish how international education can act as a key enabler within the context of broader education and government objectives. It will involve building strategic international connections for our system and include a review of our offshore capability and networks.
- 36.6 **Institutional, research and academic relationships** – this will identify how better connecting across our system can maximise and broaden the value from academic partnerships for New Zealand.
- 37 The third component of the Strategic Recovery Plan focuses on **‘Transforming to a more sustainable future state’** through a targeted investment plan and work programme. This links to a number of the workstreams under ‘Strengthening the system’ and involves targeting new Crown investment over the next four years towards opportunities to accelerate and extend components of the IES. This will help the international education sector recover faster, while also pivoting to achieve the longer term aims of a more resilient and higher value sector. Examples of key workstreams include:
- 37.1 **Diversifying products and services to extend reach including enabling providers to deliver offshore** – this workstream includes a flexible pool of funding to test, explore and deliver new products and services to drive growth.
- 37.2 s 9(2)(f)(iv)
- 37.3 **Activating partnerships and global citizenship opportunities** – this workstream focuses on enabling research partnerships targeted towards strategically relevant opportunities that provide economic stimulus for New Zealand. It also includes work to review and improve international education offshore presence and capability.
- 37.4 s 9(2)(f)(iv)
- 38 Appendix One provides an overview of the proposed Strategic Recovery Plan, including the three key components and supporting workstreams. Subject to Cabinet approval and targeted sector engagement, I will work with international education Ministers and officials to undertake more detailed planning and sequencing of key actions and priorities to finalise the Strategic Recovery Plan I will report back to Cabinet with the updated final plan and an update on progress by the end of 2020.

Governance

- 39 The success of the Strategic Recovery Plan will be significantly influenced by immigration settings, diplomatic relationships, and science, innovation, trade and investment activities. I therefore propose that I jointly lead this work with the Minister for Immigration; the Minister for Trade and Export Growth; the Minister for Economic

Development; the Minister of Research, Science and Innovation; and the Minister of Foreign Affairs with support from a cross-government group of senior officials.

- 40 This governance group will also feed into the Economic Development Ministers Group that is overseeing the Industry Strategy work to ensure work programmes remain aligned and that international sector issues and opportunities are well represented and considered as part of the broader government efforts to support and transform key industries.

Undertaking engagement

- 41 I seek agreement to Education New Zealand and the Ministry of Education leading a short, focused engagement with the sector following Cabinet approval and any funding proposals to inform them of the proposed Strategic Recovery Plan and to discuss the overall approach and sequencing of work.
- 42 My proposal rests on the extensive and lengthy consultation that was undertaken to develop the IES, and on focused discussions that I propose are undertaken as part of the targeted engagement approach. I am confident that the long term vision and strategic objectives of the IES remain relevant and will continue to be supported by the sector and other key stakeholders.
- 43 As the Strategic Recovery Plan is progressed there will also be more opportunities for sector engagement and consultation. The 'strengthening the system' phase includes consultation on key policy changes, and the 'transforming to a more sustainable future state' phase will include sector consultation and opportunities to co-design elements of the work programme with key stakeholders. This approach provides a balance between acting quickly in response to the impacts of COVID-19 and working alongside the sector to continue important strategic shifts over the medium to longer term.

Financial Implications

- 44 Some policy and marketing / promotion work may be funded through agency baselines and the reprioritising of resourcing that is now underutilised due to COVID-19. Implementing some aspects of the Strategic Recovery Plan will however require additional resourcing that I propose is funded from the COVID-19 Response and Recovery Fund (CRRF).
- 45 I have instructed the Ministry of Education to prepare a funding proposal for consideration in the next round of CRRF expenditure decisions to support delivery of the Strategic Recovery Plan over the next four years.
- 46 The pace of the Strategic Recovery Plan and specific actions will be shaped by the level of investment that government can make. Without additional funding, some aspects of the plan can only be implemented to a very limited extent. This may mean the sector will not recover significantly in the short and medium term and the drop in revenue will continue affecting jobs, businesses and export earnings for New Zealand.

Legislative Implications

- 47 There are no legislative implications arising from this paper.

Regulatory Impact Statement

- 48 No regulatory impact statement is required as I am not seeking new legislation or changes to existing legislation for the Strategic Recovery Plan at this stage.

Climate Implications of Policy Assessment

- 49 Improving the environmental impact of the international education sector is a component of improving its long term resilience and sustainability. This can be considered in more detail as part of the medium to longer term aspects of the Strategic Recovery Plan. A Climate Implications of Policy Assessment (CIPA) is not required at this stage.

Human Rights

- 50 There are no human rights implications arising from this paper.

Consultation

- 51 The following agencies were consulted on this paper Education New Zealand, the Treasury, MBIE, INZ, MFAT, NZQA, and DPMC.

Communications

- 52 Education New Zealand is developing a communications and engagement approach which will include education providers and other stakeholders interested in the success and potential of international education. I will launch the Strategic Recovery Plan at an event with key stakeholders.

Proactive Release

- 53 I intend to proactively release this Cabinet paper in line with and subject to any necessary redaction as appropriate under the Official Information Act 1982.

Recommendations

The Minister of Education recommends that the Committee:

- 1 **Note** that before COVID-19, international school age and tertiary students studying in New Zealand (international education) supported an estimated 45,000 jobs and generated around \$4.94 billion in value⁶ to the economy, including approximately \$1.1 billion from students' fees.
- 2 **Note** that Cabinet had previously approved an *International Education Strategy 2018-2030* prioritising quality over growth in volume and contributions to broader socio-economic outcomes and government objectives.
- 3 **Note** that COVID-19 has disrupted international education. Without government intervention, sharp losses in student numbers and revenue in New Zealand are likely to lead to education provider failure and negative impacts on the sector in both the short and long term.
- 4 **Agree** in principle, and subject to confirmation of additional funding that the International Education Strategic Recovery Plan includes continuing with an

⁶ Note that this does not include additional value generated from friends and family that visit international students in New Zealand

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immediate 'transition and economic stimulus' phase that includes short term actions to help stabilise the sector and address some of the immediate impacts of COVID-19.

- 5 **Agree** that the International Education Strategic Recovery Plan includes a policy-focussed 'strengthening the system' phase 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, offshore delivery, Crown risk, and provider accountabilities for education quality and will be key policy considerations.
- 6 **Agree** in principle, and subject to confirmation of funding, that the International Education Strategic Recovery Plan includes a 'transforming to a more sustainable future state' phase that targets new Crown investment towards opportunities and initiatives that will support the sector to recover and pivot by enabling providers to deliver offshore; supporting, transitioning and growing international education businesses in New Zealand; refocussing marketing and promotion; and activating partnerships and global citizenship opportunities.
- 7 **Note** that implementing the International Education Strategic Recovery Plan will require investment, and that I will seek a contingency through the next round of COVID-19 Response and Recovery Fund expenditure decisions.
- 8 **Agree** that the Ministry of Education and Education New Zealand lead sector engagement on the approach to the International Education Strategic Recovery Plan following Cabinet approval and any funding approvals.
- 9 **Agree** the Minister of Education, in consultation with International Education Ministers, has delegated authority to finalise the details of the International Education Strategic Recovery Plan and approve any amendments following engagement before it is published.
- 10 **Agree** that I will announce the International Education Strategic Recovery Plan subject to and following the next round of CRRF expenditure decisions.
- 11 **Agree** that I will provide a report back to Cabinet on the finalised International Education Strategic Recovery Plan by the end of 2020.

Authorised for lodgement

Hon Chris Hipkins

Minister of Education

Appendices

Appendix One Overview of the International Education Strategic Recovery Plan

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Cabinet Social Wellbeing Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

A Strategic Recovery Plan for the International Education Sector

Portfolio Education

On 17 June 2020, the Cabinet Social Wellbeing Committee:

- 1 **noted** that before COVID-19, international school age and tertiary students studying in New Zealand (international education) supported an estimated 45,000 jobs and generated around \$4.94 billion in value to the economy, including approximately \$1.1 billion from students' fees;
- 2 **noted** that in August 2018, the Cabinet Economic Development Committee approved an International Education Strategy 2018-2030 prioritising quality over growth in volume and contributions to broader socio-economic outcomes and government objectives [DEV-18-MIN-0148];
- 3 **noted** that COVID-19 has disrupted international education and that without government intervention, sharp losses in student numbers and revenue in New Zealand are likely to lead to education provider failure and negative impacts on the sector in both the short and long term;
- 4 **agreed in principle**, subject to confirmation of additional funding, that the International Education Strategic Recovery Plan includes continuing with an immediate 'transition and economic stimulus' phase that includes short term actions to help stabilise the sector and address some of the immediate impacts of COVID-19;
- 5 **agreed** that:
 - 5.1 the International Education Strategic Recovery Plan includes a policy-focussed 'strengthening the system' phase 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; and
 - 5.2 work rights, offshore delivery, Crown risk, and provider accountabilities for education quality will be key policy considerations;
- 6 **agreed in principle**, subject to confirmation of funding, that the International Education Strategic Recovery Plan includes an 'transforming to a more sustainable future state' phase that targets new Crown investment towards opportunities and initiatives that will support the sector to recover and pivot by enabling new modes of delivery, regional development and education, and international engagement to be undertaken over the next four years;

- 7 **noted** that the International Education Strategic Recovery Plan will need to be delivered in line with the government approach to, and capacity for, managed quarantine;
- 8 **noted** that implementing the International Education Strategic Recovery Plan will require investment, and that the Minister of Education will seek a contingency through the next round of COVID-19 Response and Recovery Fund (CRRF) expenditure decisions;
- 9 **agreed** that the Ministry of Education and Education New Zealand lead sector engagement on the approach to the International Education Strategic Recovery Plan following Cabinet approval and any funding approvals;
- 10 **authorised** the Minister of Education, in consultation with International Education Ministers, to finalise the details of the International Education Strategic Recovery Plan and approve any amendments following engagement before it is published;
- 11 **agreed** that the Minister of Education will announce the International Education Strategic Recovery Plan subject to and following the next round of CRRF expenditure decisions;
- 12 **agreed** that the Minister of Education will provide a report back to the Cabinet Social Wellbeing Committee on the finalised International Education Strategic Recovery Plan by the end of 2020.

Vivien Meek
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Kelvin Davis
Hon Grant Robertson
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Andrew Little
Hon Carmel Sepuloni (Chair)
Hon Nanaia Mahuta
Hon Tracey Martin
Hon Willie Jackson
Hon Aupito William Sio
Hon Julie Anne Genter
Jan Logie, MP

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet
Office of the SWC Chair



Cabinet

Minute of Decision

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Redactions made as content out of scope of Minister's portfolio responsibilities

Report of the Cabinet Social Wellbeing Committee: Period Ended 19 June 2020

On 22 June 2020, Cabinet made the following decisions on the work of the Cabinet Social Wellbeing Committee for the period ended 19 June 2020:

SWC-20-MIN-0079	A Strategic Recovery Plan for the International Education Sector Portfolio: Education	CONFIRMED
SWC-20-MIN-0078	Implementation of the Home-based Early Childhood Education Review Decisions Portfolio: Education	CONFIRMED
SWC-20-MIN-0075	Action Plan for Pacific Education 2020-2030: Pacific Success Through a Whole-of-System Approach Portfolio: Associate Education (Hon Jenny Salesa)	CONFIRMED

Michael Webster
Secretary of the Cabinet

Proactively Released by the Minister of Education