



High-value international education

Draft policy statement

For consultation

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This draft policy statement on high-value international education has been developed by the Ministry of Education in consultation with the Ministry of Business Innovation and Employment, the Ministry of Foreign Affairs and Trade, Education New Zealand, the Tertiary Education Commission, and the New Zealand Qualifications Authority.

We encourage you to provide feedback to help us define what ‘high value’ means for international education going forward. Your views will help inform the final policy statement which will give a clear steer on the direction for international education as we rebuild and deliver on the longer-term goals outlined in the International Education Strategy.

Once you have read this draft statement and accompanying A3, we would appreciate your answers to the consultation questions in the box below, in addition to any other general or specific feedback you would like to offer.

CONSULTATION QUESTIONS

- **Do you support the proposed definition of value? Why or why not?**
- **Is there anything missing from the policy statement?**

PURPOSE

The purpose of this statement, together with the accompanying A3, is to establish:

- what ‘high value’ means for ākonga/students and the international education sector
- the key markets Government will focus on to achieve a ‘high value’ shift.

An agreed understanding of value will:

- provide a clear basis for policy and decision making
- provide clarity and transparency for ākonga/students and the sector on the market direction
- align cross-government objectives and work programmes
- guide the identification of future ākonga/student cohorts for border exemptions

This statement will be used to inform work programmes that aim to achieve the three overarching goals of the International Education Strategy – excellent education and ākonga/student experience, sustainable growth, and developing global citizens.

WHY IT MATTERS

New Zealand's International Education Strategy 2018-2030 released in August 2018 sets the vision and clear objectives for international education. The strategy signalled a move from international education as a revenue generating export industry, to one that focuses on quality of education, and higher value markets. The strategy has three overarching goals:

1. Delivering an excellent education and ākonga/student experience
2. Achieving sustainable growth
3. Developing global citizens

Prior to the COVID-19 pandemic, shifts in policies and settings were already starting to achieve the key goals of the International Education Strategy. COVID-19 has significantly disrupted the sector, and its impact is likely to worsen over the short term. This provides an opportunity to accelerate the 'high value' strategic shift signalled in the International Education Strategy and embed this in the sector's rebuild.

In making this shift, we need to be clear about what 'high value' looks like. We need to consider where we will be offering incentives to protect and enhance areas of high value, and where we will pivot and develop new offerings. A carefully managed approach to rebuilding the sector is the most effective way to realise the goals of the International Education Strategy, clarify the value we are aiming for, reduce risk, and raise social license around international education in New Zealand.

DEFINITION

High value international education refers to a system that:

- provides **excellent education and ākonga/student experience**
- targets and attracts **ākonga/students** in **high value markets**
- delivers a **range of value benefits to New Zealand** with **minimal risks**.

Alongside the provision of international education, a high value system will promote global citizenship and support opportunities for New Zealand ākonga/students to study abroad.

Key components are defined further below. The component definitions are linked and should therefore be considered together.

Excellent education and ākonga/student experience can be defined as quality programmes (delivered both onshore and offshore) that meet study plans, embedded in a positive overall ākonga/student experience.

Ākonga/students we want to attract are those motivated by education in coming to New Zealand, including those who want to pathway from offshore online study. They have the appropriate academic background, English language proficiency where required, and financial resources to succeed in their study, and provide maximum benefits to New Zealand across a range of areas of value.

High value markets will be identified as specific segments within diversified priority source countries, which may differ based on the profile of ākonga/students, the qualification, the sector and the region of New Zealand in which they wish to study.

Benefits to New Zealand include:

- **Immediate economic value:** revenue from international fees and wider ākonga/student spending, and from international education products and services
- **Longer term economic value:** longer-term benefits from research & innovation including partnerships, and high levels of human capital with any accompanying work rights and post-study pathways commensurate with potential value to ākonga/students and New Zealand
- **Education system value:** benefits to our domestic education system and ākonga/students
- **Cultural value:** social and cultural benefits to domestic ākonga/students and wider communities,
- **International relations value:** benefits that stem from deepening bilateral relationships through assisting partner countries' development, supporting international diplomacy and enhancing trade benefits.

Risks to be minimised include:

- Crown fiscal risks (particularly due to an over-reliance of the domestic system on international education revenue)
- Compromised quality and reputation of the New Zealand education system, due to:
 - delivery of low-quality programmes
 - low-quality providers with inappropriate ākonga/student recruitment practices
 - poor student support and ākonga/student exploitation in the labour market
- Compromised wellbeing and safety of ākonga/students
- Weakening the integrity of the immigration system (e.g. through inappropriate use of international education, seen as a guaranteed path to residence)
- Providers marketing access to the labour market rather than the education experience
- Pressures on teacher supply and education capacity
- Pressure on housing and infrastructure, and labour market impacts
- International education revenue driving inequities in the domestic education system.

WHO AND WHERE WILL WE TARGET TO MAXIMISE VALUE?

Our target markets are yet to be determined, and are likely to vary depending on the type of value we seek to maximise. The table below sets out the types of markets that are likely to contribute the highest value in each category.

Value	Markets and ākonga/students
Immediate economic value	<ul style="list-style-type: none"> • Ākonga/students participating in educational tourism e.g. English language, school tour groups and Study Abroad • Ākonga/students who want to start their New Zealand study experience through offshore study, including transnational education.
Longer term Economic value	<ul style="list-style-type: none"> • Long-term ākonga/students e.g. Secondary school, degree level and above, or ākonga/students who will likely pathway from one level of study to another • Ākonga/students who increase New Zealand's long-term human capital and labour productivity.
International relations value	<ul style="list-style-type: none"> • A range of priority countries based on diplomacy, development and trade opportunities and/or commitments (e.g. Pacific partners) • Ākonga/students that add to New Zealand's government to government relationships
Cultural value	<ul style="list-style-type: none"> • A variety of different countries and markets • Markets that support outbound mobility for domestic ākonga/students • Diversification, building higher growth specifically outside of the Auckland region
Education system value	<ul style="list-style-type: none"> • Ākonga/students enrolled in programmes that align with key priorities or areas where New Zealand is world-leading

Taking into account potential changes to policy settings, our target market could include:

- Ākonga/students enrolled at secondary schools
- Ākonga/students enrolled at degree-level or above, particularly in programmes that align with key research and innovation priorities, or areas where New Zealand is world-leading (e.g. agricultural science, earthquake engineering, climate science)
- Ākonga/students in sub-degree programmes with a strong connection between study and work, and where any work rights meet immigration labour market tests
- Ākonga/students in post-graduate and professional degree who increase New Zealand's long-term human capital and labour productivity.
- PhD and research masters' ākonga/students, particularly in priority research & innovation areas
- Online and offshore offerings in tertiary education, where education is delivered exclusively online.

Similarly, our target markets could include:

- Existing markets where there is high demand but re-focussed on market segments that align with the 'high value' definition.
- Diversification into several emerging or less established markets.
- Markets where we are seeking to strengthen our bilateral relations.

WHAT DOES SUCCESS LOOK LIKE?

A transformed sector will be more resilient and diversified than our pre-COVID sector, with an optimal mix of sectors, modes of delivery (both onshore and offshore), and associated products and services. The transformed sector will have a focus on the system wide value for New Zealand.

We will be recognised by ākonga/students and other governments for our high-quality programmes in New Zealand's areas of excellence. The education provider meets the study plan of ākonga/students, delivers world-class pastoral care and creates a positive overall experience for ākonga/students. We will offer nuanced work rights and policy options that support ākonga/student integration into our communities, and deliver long-term benefit to New Zealand. We will build global partnerships and support global citizenship goals by supporting outbound mobility, exchanges and scholarships (when it is safe to do so).

Our system will attract ākonga/students who are well prepared to succeed academically and engage with our domestic ākonga/student and communities, some of whom will contribute to New Zealand research and innovation, including global research partnerships, and/or have the specialist skills our labour force needs.

A high value sector will enhance our domestic education system and provide cultural, social and economic benefits for New Zealanders. It will support internationalisation of the New Zealand curriculum and international exposure and understanding of Te Ao Māori. It will also strengthen cross-national education relationships in all education sub-sectors, and support our diplomatic aid and development objectives through a global network of international alumna and increased outbound mobility for New Zealanders.

HOW DO WE GET THERE?

Immediate focus areas

To achieve this 'high value' shift in markets and offerings, our immediate focus includes:

- bringing in priority ākonga/student cohorts while border restrictions remain in place
- maintaining established international connections, but with limited market expansion and recruitment while the global COVID-19 situation remains uncertain
- scenario planning to help identify which markets we will target as borders re-open
- reviewing key policy and regulatory settings to strengthen the system and the quality of education provision
- encouraging Crown-owned institutions to give effect to the policy direction once finalised
- expanding offshore provision as a pathway to onshore study for tertiary ākonga/students, and investigating options to recognise qualifications obtained online.

The government will specifically review work rights and the enrolment of international ākonga/students in primary and intermediate schools. The areas of value indicated in this policy statement may be refined following these reviews.

Longer-term focus areas

To diversify and transform the sector, our longer-term focus includes:

- refocusing and aligning our marketing and international presence with policy settings
- diversifying source countries and building relationships with strategic partners
- promoting outbound mobility and global citizenship initiatives

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