

International Education sector feedback on the **International Education Strategic Recovery Plan**

During February and March 2021, Education New Zealand and the Ministry of Education held seven “deep-dive” workshops on next steps for the International Education Strategic Recovery Plan with the following groups:

- Schools
- English language providers
- Private training establishments
- Te Pūkenga subsidiaries
- Universities
- Education products and services (edtech firms and publishers)
- Regional economic development agencies

These groups were represented by sector peak bodies as well as individual participants from each subsector, including staff from providers.

The participant peak bodies were:

- Independent Tertiary Education New Zealand (ITENZ)
- Quality Tertiary Institutions (QTI)
- English New Zealand
- Universities New Zealand (UNZ)
- Te Pūkenga
- Schools International Education Business Association (SIEBA)

The sector workshop feedback was provided to the Minister of Education on 20 April 2021.

International Education Strategic Recovery Plan

Feedback from sector workshops on future direction, February-March 2021

1. Education New Zealand (ENZ), supported by the Ministry of Education, held seven workshops on the next steps for the International Education Strategic Recovery Plan. Meetings included both peak body representatives, and general sector representatives, from the following groups:
 - Schools
 - English language providers
 - Private training establishments
 - Te Pūkenga subsidiaries
 - Universities
 - Education products and services (edtech firms and publishers)
 - Regional economic development agencies
2. This summary outlines common themes across the subsectors, followed by a summary of the impacts and priorities of each subsector.

Sector-wide themes

3. Sector representatives noted their appreciation for government support for the international education sector, including with regard to the support for state and state integrated schools, the PTE Targeted Assistance Fund, and the ESOL Provision Fund. The workshops focused on exploring the impacts of COVID-19 and what is needed for recovery, so the majority of sector commentary related to what further actions could be undertaken.
4. Themes which emerged from across the subsector workshops included:
 - Concerns regarding the border and managed isolation
 - Frustration with government decisions and lack of agency alignment
 - Loss of capacity and capability across the sector
 - Declining international reputation of New Zealand
 - Impact on the domestic sector
 - Online learning.

Concerns regarding the border closure and managed isolation

5. The primary concern for the sector is the continued closure of the border and the difficulty of securing places for international students within limited MIQ capacity. The sector has called for reopening the border as soon as possible and for greater clarity on when this may occur. If the government is not able to provide timeframes, the sector has requested greater transparency around the conditions and scenarios under which opening may occur.
6. The sector has called upon government to allow them to run MIQ facilities dedicated to international students under government supervision. In the absence of this, the sector has requested increased provision for international students within existing MIQ capacity. The sector seeks a link between cohort numbers and MIQ capacity, as previously announced cohorts are struggling to secure spaces within MIQ facilities. They also highlighted the need for cohorts and capacity to align with semester and programme start dates.
7. The lack of certainty on border opening is impacting on the sectors' ability to restart the pipeline, undermining relationships with agents and international partner institutions, and impacting New Zealand's competitiveness.

8. Workshop participants suggested the following actions to address these issues:
 - Greater transparency around the conditions and scenarios under which the opening of the border may occur, so that the sector can plan.
 - Government and sector to create a Return to Market Plan that supports the recovery of the in-bound student market. A Return to Market Plan would involve a suite of strategic and operational activities to support the rebuilding of the sector. Initiatives could include Ministerial missions and education trade delegations to key markets, public relations campaigns, and marketing campaigns alongside sector coordination.

Frustration with government decisions and lack of agency alignment

9. The sector feels that it is not being heard or understood by government. They sense a mismatch in priorities between the sector and government which they see reflected in the Recovery Plan.
10. The sector's perception is that government agencies are operating in isolation and providers are excluded from critical decisions, resulting in lost opportunities and revenue. The sector would like more access to key decision-makers in reframing the Plan and ongoing policy advice and decisions.
11. The perceived lack of alignment between immigration and education communications and decisions is leaving the sector uncertain as to the government's commitment to international education. Communications from government are seen as poor quality and poorly timed (for example, announcing the second cohort without an implementation plan, and increasing the MIQ fees for an already approved cohort).
12. The sector sees a lack of government support in some of Immigration New Zealand's (INZ's) regulatory decisions. This includes INZ's decision not to offer credit toward post-study work rights for offshore study, and INZ's suspension of the ability to submit visa applications, which is stopping providers from building their student pipeline. They fear these decisions will cause New Zealand to lose its international competitiveness.
13. Workshop participants suggested the following actions to address these issues:
 - A public statement of the government's commitment to international education.
 - Enhanced engagement with the sector, including peak body access to senior officials and CEs, and early consultation and engagement on advice to be given to Ministers and CEs to flag unintended consequences.
 - The establishment of a pan-sector peak body that can better represent the sector in key decision-making fora, and a commitment from government to connect with it.

The loss of capability and capacity will hamper recovery and rebuild

14. Across subsectors, specialist staff are being made redundant or choosing to leave the sector. This will make it difficult for providers across subsectors to re-enter the market once they have access to students, and will mean that any recovery is likely to be slower and of variable quality.
15. The international education peak bodies funded through membership reliant on international revenue will not be able to survive 2021 without financial support (English New Zealand, SIEBA, and ISANA). The loss of peak bodies is a risk as they provide the support and information required by the subsectors to successfully deliver international education. They would also play a key role in "reviving" the sector should the training of new specialist staff be required.

16. All subsectors reported that their agents are now sending students to countries who have open borders and it is not certain that they will return to sending students to New Zealand when the border opens. The loss of agents focussed solely on New Zealand – either through closure or pivoting to other destinations – is the loss of a key channel-to-market and may take years to recover.
17. Workshop participants suggested the following actions to address these issues:
 - Funding international education peak bodies for three years to enable them to continue until revenue increases enable them to return to a membership-based funding model.
 - Provide funding for the PTE and English language subsectors to enable them to cover base “keeping the lights” on costs.

New Zealand’s international reputation is declining

18. Sector representatives noted they had received feedback from their international partners which indicates the continued closure of our borders is negatively impacting New Zealand’s international reputation. While in the beginning our response was perceived positively, New Zealand is now seen as unwelcoming and not committed to international partnerships.
19. The lack of certainty around the opening of the border means that relationships that have been carefully built over many years are now at risk. This includes government-to-government, business-to-business, research, and agent relationships. Universities and ITPs have noted that the ongoing border restrictions has led to decreased partnership activity and that it will take time and cost money to rebuild these partnerships.
20. INZ decisions and messaging are damaging the New Zealand brand as it suggests we do not welcome international students.
21. Workshop participants suggested the following actions to address these issues:
 - Government to work with sector on building our international reputation, with a particular focus on messaging that is appropriate for international audiences and which is coordinated with the sector.
 - Marketing and information programme for agents to be delivered when the borders open.

Impact on the domestic system

22. The loss of international student fee revenue is having a negative impact on delivery within the domestic system across subsectors (some providers have stopped programmes and reduced staffing), with revenue losses extending to local community members such as homestay families and local businesses.
23. In some schools, this revenue funds “core” services, while other use it to deliver higher levels of service. This can include relievers, education support staff, lower teacher pupil ratios, capital works and improvements. School representatives reported that schools’ financial position will worsen over 2021 as it is likely that there will be no new or returning students.
24. The loss of outbound mobility for domestic students is limiting the academic and personal growth of students and has longer-term impacts on providers’ international relationships. The sector is concerned about the short- and medium-term recovery for

outbound mobility due to reducing opportunities for domestic students, limited capacity for exchange programmes, weakened exchange relationships and fewer scholarships.

25. Representatives also noted the negative impact that an absence of international students is having on the academic, cultural and social development of domestic students.
26. Workshop participants suggested the following key actions to address these issues:
 - Consider a funding package for schools to maintain core international education capability.
 - Consider ways domestic students can gain global citizenship competencies and skills despite travel restrictions.

Online learning

27. Attitudes toward online delivery vary considerable across and within subsectors. Some of the sector are of the view that the *rapid* move to online learning has resulted in negative returns for all stakeholders. Related issues include the lack of a coordinated approach, inconsistent digital experiences for students, variable design and pedagogy, difficulty of keeping students engaged, and insufficient sector capability to deliver quality online outcomes.
28. There was some support for coordination of online capacity building. Online learning is seen as an “and” not an “or”. That is, that this offering would not replace onshore learning but would be an additional offering for the New Zealand international education sector. Sector representatives saw the key value of online learning in providing a pathway for international students to start their studies offshore and then pathway to study onshore. However, this would need to be accommodated by a more flexible immigration approach.
29. The sector is concerned that the online learning they have been providing is not recognised for post study work rights. Other jurisdictions, such as Canada and the UK., recognise online learning for work rights making these countries a more compelling proposition for international students.
30. Workshop participants suggested the following key actions to address these issues:
 - Continue work on those initiatives that enable online delivery, including the quality assurance regime.
 - Consider ways to coordinate effort for developing online delivery.

Subsector-specific impacts and priorities

English language providers

31. The support provided by the government through the ESOL Provision Fund and the PTE Targeted Assistance Fund was gratefully acknowledged by English language representatives. Participants noted that this support was critical for retaining capacity within the subsector over this time. They sought clarity on whether additional support will be provided once the existing schemes conclude on 30 June 2021, as this would determine whether they could continue operating, hibernate, or exit operations.
32. The English language subsector is one of the most impacted by COVID-19. They identified a risk that the entire English language subsector will not exist by the end of the year. Staffing has been reduced across the board, a number of English language schools have closed, and a number of other schools are considering their options

beyond June. Representatives were concerned that 'fly-by-night' providers may enter the sector if category 1 and 2 providers had to exit due to financial pressures.

33. The peak body English New Zealand has been supporting the sector for 35 years and is now at risk of closure due to the inability of its members to pay membership subscriptions. The loss of English New Zealand would be detrimental for fostering a quality rebuild of the subsector.
34. The subsector also sought priority of English language pathway students through MIQ to maintain capability through to the point where the border reopens.

Private training establishments

35. A number of PTEs are likely to hibernate or close in the coming months. Aviation training providers are concerned that they will have to go out of business (and mothball aircraft) if new students cannot be brought through as cohorts.
36. PTE subsector representatives expressed concern at the perceived lack of signals from government regarding the importance of the sector and its rebuild. Representatives were also frustrated with decisions by Immigration New Zealand and highly concerned about rumoured changes to in-study and post-study work rights, as this would significantly impact the attractiveness of New Zealand relative to international competitors.
37. There is frustration that the subsector has not featured representatively in the priority cohorts of returning students to date. The subsector sought priority of students through MIQ in order to maintain capability through to the point where the border reopens. A particular focus on bringing aviation students through MIQ would help keep aviation training providers afloat and ensure that this high value training capability is maintained for the future.
38. Priorities for the PTE sector include whether any additional support will be made available for the subsector beyond 30 June 2021, when the TAF funding concludes. Clarity on support available beyond June would enable providers to make difficult decisions around the future of their operations.

Schools

39. The reduction in international revenue has seen schools reduce staff hours, disestablish international director and pastoral care roles, and reduce expenditure on additional staff and programmes across schools.
40. The international education peak body for schools, the Schools International Education Business Association (SIEBA), is at financial risk of closing due to the inability of its members schools to pay membership subscriptions.
41. There are increasing concerns for the mental health of international school students still within New Zealand as they will not have seen their families for one to two years. Representatives were concerned about the loss of opportunities for domestic students to gain global citizenship competencies.
42. Schools were concerned about the limited role of the school subsector within the Recovery Plan and requested increased focus within the final version. They specifically sought clarity from the government as to what it sees the role and contribution of the school sector within the international education sector.

43. Schools are reporting increased demand for virtual and online offerings – but are currently prohibited by the Education and Training Act 2020 from offering this to students and agents. They noted the possibility of them using an existing NZQA approved product (such as Te Kura or ClassroomNZ2020) for a national programme which can be offered online; this would provide reassurance of quality and provide scalability, whilst allowing the school subsector to contribute to their own recovery. It would also provide a solution for those enrolled students who remain offshore and are locked out of their home school systems.
44. Schools requested the provision of MIQ capacity for their subsector and highlighted the proposal they had developed to provide a sector-supported MIQ model.

Te Pūkenga subsidiaries

45. Increased domestic enrolments have partially offset the reduction in international student numbers, however the loss of international revenue has seen a reduction in staff and broader investments across institutions. Very few ITP students have been allocated places in the managed cohorts to date (57 out of 1000 places) and there are no students in the pipeline.
46. In addition to COVID-19 impacts, subsidiary institutions are grappling with the impact of the Reform of Vocational Education changes, which is creating strategic and operational uncertainty. They noted a disconnect between the domestic brand positioning aligning Te Pūkenga with vocational education, compared with the professional and vocational education (PAVE) focus that resonates internationally. Te Pūkenga branding is threatening their market.
47. Priorities for this sector include providing additional capacity for international students to come through MIQ. There are opportunities in this sector to better align international student visa settings to the country's essential skill needs, including regional skills shortages, and related education and training. For example, a change to the immigration regulations would enable integrated work and study packages and allow international students to train in programmes at lower levels of the New Zealand Qualifications Framework and pathway to essential skills areas for employment and contribute to both current and future skills shortages.

Universities

48. The significant reduction in international revenue has seen reductions in staffing and deferred capital investment across the subsector.
49. The reliance of New Zealand universities on international students, partnerships and revenue is expected to have a disproportionate impact on the international ranking of New Zealand universities in upcoming world rankings. Universities have noted that there is a lack of clarity regarding the government's vision for the international education sector and is interpreting recent immigration decisions as worrying.
50. Priorities for the university sector include a leadership statement from government on the importance of international education and its role in contributing to New Zealand's economy, society, and international engagement.
51. The universities seek greater clarity from government on how the border may be reopened as well as further cohorts and dedicated MIQ capacity to bring international students into the country aligned to semester dates. Universities also seek more responsiveness by Immigration New Zealand in relation to processing student visas, to develop a pipeline of international students interested in studying in New Zealand. Universities also request the ability to revisit the criteria for future cohorts.

52. Universities are also wanting to collaborate with the government on a 'Back to Market' plan to ensure that all key stakeholders within international education are aligned in their efforts to support the industry's recovery.

Education products and services

53. There is currently significant opportunity for the education products and services subsector (this includes education technology firms and education publishers). A number of edtech companies are reporting significant demand for their offering, driven in large part by consumers globally moving to online products and services.
54. Providers also report considerable flux within the international marketplace as COVID-19 has changed the purchasing decisions of governments, businesses, and education customers. Some companies are reporting difficulty in finding and generating leads due to the inability to travel to key trade events. A number of providers are also seeking government support to manage live trade issues as they are anticipating a global trend towards increasingly protectionist measures for digital services education exports as states and countries continue to grapple with online education. Increased investment in digital services globally is also corresponding with increasing regulation and the imposition of protectionist measures in the EPS space, affecting markets for our exporters.
55. Priorities for this subsector include getting clarity on when they may be able to travel internationally to key export markets. While engagement is occurring digitally, they are facing barriers in getting deals 'across the line' without having the person-to-person relationships. A key priority for this subsector is seeking assistance from government to help open doors for them internationally.

Regional economic development agencies.

56. Regional economic development agencies (EDAs) have been impacted by the lack of tourism and international education-related income. This has led to restructures and redundancies, and there is a high risk that the international education coordinator roles at each EDA will be disestablished. Some EDAs and regional study associations rely on membership subscription fees to operate; and these fees are unlikely to be paid by institutions. International education is not a high priority for many regional economic development agencies as they are responding to government signals (and funding) regarding other sectors such as infrastructure and tourism. The loss of these positions and organisational commitment to international education will mean it will take longer for the sector to recover and rebuild.
57. Key priorities for this subsector include understanding what priority (and support) the government places on the international education sector's recovery – as these signals inform decisions regarding resource prioritisation. This subsector has called for financial support to retain international education coordinator positions. They are also interested in partnering with government on international student experience, social licence and transitions initiatives.