Tertiary Education Commission
Te Amorangi Mātauranga Matua

Tertiary Education Report: 2018 interim full-year enrolments at tertiary education organisations

Date:	25 March 2019	**TEC priority:**	Low
Security level:	In Confidence	**Report no:**	B-19-00360
		Minister's office No:	

Action Sought

	Action sought	Deadline
Hon Chris Hipkins Minister of Education	**Note** the interim full-year 2018 enrolment data submitted by tertiary education organisations in the Single Data Return, Industry Training Register and manual fees-free enrolment returns.	At your earliest convenience
Enclosure: No	**Round Robin:** No	

Contact for telephone discussion (if required)

Name	Position	Telephone		1st contact
Johnny Tramoundanas-Can	Chief Advisor		9(2)(a) [redacted]	✓
Deirdre Marshall	Acting Deputy Chief Executive – Delivery Directorate	9(2)(a) [redacted]		

The following departments/agencies have seen this report

☐ DPMC ☐ MPI ☐ ENZ ☐ ERO ☐ MBIE ☒ MoE ☐ MFAT

☐ MPP ☐ MSD ☐ NZQA ☐ NZTE ☒ TEC ☐ TPK ☐ Treasury

Minister's Office to Complete:

☐ Approved ☐ Declined

☐ Noted ☐ Needs change

☐ Seen ☐ Overtaken by Events

☐ See Minister's Notes ☐ Withdrawn

Comments:

Recommendations

Hon Chris Hipkins, Minister of Education

It is recommended that you:

1. **note** the 2018 interim full-year enrolment data submitted by tertiary education organisations in the Single Data Return, Industry Training Register and manual fees-free enrolment returns;

2. **note** that we will provide you final data for all enrolment returns as they become available; and

3. **agree** that the TEC release this briefing at the same time as any public announcement on the final enrolment data.

AGREED / NOT AGREED

Tim Fowler

Chief Executive
Tertiary Education Commission

25 March 2018

Hon Chris Hipkins

Minister of Education

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Purpose

1. This paper provides you with high-level interim full-year 2018 enrolment data for Tertiary Education Organisations (TEOs). We have compared this to 2017. We have also provided high level full-year interim 2018 fees-free enrolment data by subsector.

There are three approaches the TEC uses to collect enrolment data

2. TEOs submit most enrolment data to the TEC through two data collection systems based on fund and TEO type. For tertiary providers[1] enrolment data is collected through the Single Data Return (SDR). For industry training organisations (ITOs) enrolment data is collected through the Industry Training Register (ITR).

3. Fees-free data is submitted through a bespoke and manual system.

4. This data is interim at this stage due to the following factors:

    a. Final 2018 industry training and apprenticeship enrolments are due to be submitted by 1 April in line with agreed processes with the ITO sector;

    b. A couple of small providers have not yet submitted their enrolment returns due to technical issues (enrolments are likely to be very small with these organisations); and

    c. Cross-checking of TEO fees-free funding claims with enrolment data.

2018 SDR enrolments show mixed trends when compared with 2017

SAC Level 3 and above enrolments remain flat across the whole sector with variability between sub-sectors and individual providers

5. SAC Level 3 and above enrolments across the whole sector remain flat in 2018 compared to 2017, with an overall decrease of 669 equivalent full-time students (EFTS). This is accompanied by a decrease of 4,602 students. Overall this indicates that students' study loads have increased slightly.

Table 1: SAC Level 3 and above enrolments 2018 compared to 2017[2]

	Dec-18		Dec-17		Change			
	EFTS	Students	EFTS	Students	EFTS	%age	Students	%age
Universities	115,440	148,646	114,228	148,802	1,212	1.1%	(156)	-0.1%
ITPs	50,251	100,474	51,202	101,241	(951)	-1.9%	(767)	-0.8%
Wānanga	17,612	29,281	18,303	31,205	(690)	-3.8%	(1,924)	-6.2%
PTEs	20,185	35,394	20,424	37,149	(240)	-1.2%	(1,755)	-4.7%
Total	**203,488**	**306,035**	**204,157**	**310,295**	**(669)**	**-0.3%**	**(4,602)**	**-1.5%**

[1] Universities; institutes of technology and polytechnics (ITPs); wānanga; and private training establishments (PTEs).
[2] Students can be double counted when they are studying at more than one provider and/or at more than one qualification level. The totals in the SAC tables removes double counted students. Therefore, the student numbers in each of these tables do not equal the totals in the tables.

6. There is great variability between subsectors and individual providers. Universities show EFTS increases in 2018 compared to 2017. ITPs, Wānanga and PTEs all show decreases in EFTS and corresponding student numbers. A detailed breakdown is provided in Appendix A.

7. There are also large decreases in some qualification levels in SAC enrolments across the sector. In particular, Level 4 – a decrease of 1,828 EFTS, and Level 6 – a decrease of 1,413 EFTS. These decreases continue similar trends that occurred in 2017 enrolments particularly at ITPs, PTEs and wānanga where prospective students at these levels chose to go into employment or stay in employment.

Universities are experiencing variability in enrolments

8. In the university subsector we have seen a decrease at Lincoln University of 190 EFTS (9.6%) or 788 students (26.9%). For Lincoln the majority of this is at Level 3 and is due to the transfer of this provision from Lincoln to Taratahi in 2017. We have also seen a decrease at the University of Auckland of 187 EFTS (0.7%) or 438 students (1.2%).

9. We have seen large increases at the University of Canterbury (UC) of 684 EFTS (5.9%) or 707 students (5%), Auckland University of Technology (AUT) of 271 EFTS (1.7%) or 354 students (1.6%), and University of Otago (UO) of 254 EFTS (1.5%) or 181 students (1.0%). UC has done well in recent times, growing enrolments by an average of 6% per annum over the past three years. This has been due to heightened recruitment efforts, an increased pipeline following strong enrolments in the last couple of years, new programme offerings, and the opening of new facilities. AUT has seen growth at both its Auckland and Manukau campuses.

Institutes of Technology and Polytechnics enrolments have improved but some ITPs are experiencing significant decreases

10. Nine of the 16 ITPs are showing EFTS increases of around 1 to 7%. The number and size of the increases has improved compared to earlier this year. Otago Polytechnic has seen the greatest increase of 261 EFTS (7.2%) or 558 students (11.3%). Southern Institute of Technology (SIT) has the next largest increase of 174 EFTS (5.4%) or 151 students (2.3%) While these increases are encouraging, as a sector enrolments are below levels from a few years ago.

11. We have seen large decreases at MIT 321 EFTS (8%) or 537 students (8.2%), Open Polytechnic 276 (5.7%) but an increase in students of 631 (2.6%), NorthTec 182 EFTS (9.6%) or 216 students (6.8%) and Unitec 132 EFTS (2.3%) or 488 students (4.7%).

Wānanga have experienced varying levels of decline in enrolments

12. All three wānanga have experienced a decrease in enrolments. Te Whare Wānanga o Awanuiārangi (TWWoA) and Te Wānanga o Aotearoa (TWoA) have seen decreases of 317 EFTS (13.2%) or 1,656 students (29.2%) and 369 EFTS (2.6%) or 507 students (2.2%) respectively. Te Wānanga o Raukawa (TWoR) remained flat with only a 5 EFTS decrease but an increase of 81 students.

13. TWWoA's decrease is mainly attributable to three Level 3 and 4 qualifications (in particular Māori cultural qualifications which are nationally delivered, mainly at marae) that either have no or low enrolments in 2018 compared to 2017. TWWoA notes that there were a large number of students who began in 2016 and completed in 2017.

SAC Levels 1 and 2 enrolments are largely flat 2018

14. Wānanga and ITPs have seen small EFTS increases in SAC Levels 1 and 2. These increases have been accompanied by decreases in student numbers in 2018 compared to 2017. In total there has been an increase of 111 EFTS (1.1%) and decrease of 529 students (2.5%).

Youth Guarantee (YG) enrolments are down across the sector

15. All subsectors have had decreases in YG enrolments in 2018 compared to 2017. In total 61 out of 88 providers have experienced a decrease with a total for all YG providers of 1,350 EFTS (18%) and 1,759 learners (15.1%). The ITP and PTE subsectors make up the bulk of the decrease in YG enrolments with a combined decrease of 1,116 EFTS or 83% of the total decrease. This continues the trend of softening demand for YG over recent years.

Overall delivery in the ITR is flat with some ITOs[3] experiencing significant ups and downs

16. Over recent years we have seen an increase in the number of learners enrolled in apprenticeships and a decrease in the number of learners enrolled in industry training. This has continued during 2018 with apprenticeship learner enrolments up about 11% compared with 2017. This has been accompanied by a decrease of about 8% for industry training learners.

Table 2: Industry Training Fund enrolment by learner type

	2018		2017		Change			
	STMs	Learners	STMs	Learners	STMs	%age	Learners	%age
Apprenticeships	19,388	45,309	17,144	40,747	2,245	13.1%	4,562	11.2%
Industry Training	24,595	85,338	26,786	93,021	(2,191)	-8.2%	(7,683)	-8.3%
Total	**43,984**	**128,442**	**43,930**	**131,271**	**54**	**0.1%**	**(2,829)**	**-2.2%**

17. Five of the 11 ITOs have seen a decrease in their standard training measures (STMs) in 2018 compared to 2017. PrimaryITO has seen the largest decrease of 712 STMs (10%) or 2,969 learners (12.8%). The primary sector generally has experienced a downturn in the levels of training across the tertiary system. This downturn has also been experienced in provider-based primary industries' education.

18. Four other ITOs (Competenz, ServiceIQ, Connexis and Skills Active Aotearoa) have experienced varying decreases. Competenz's decrease is due to a combination of factors including subsequently withdrawing ineligible learners reported at this time last year, reducing lower level qualifications where there is no intended progression to higher level qualifications, increased competition from providers, a downturn in training in the forestry industry, and holding off enrolments into new programmes currently under development. ServiceIQ has been the subject of a TEC investigation, which has found poor enrolment practices in one of its core training programmes. It has stopped enrolments in this programme while it reviews and improves its processes during 2018. Connexis has been impacted by industry recruitment difficulties and slow uptake of its new water care programme.

19. Three ITOs have seen significant increases: Building and Construction ITO (629 STMs or 1,197 learners), The Skills Organisation (615 STMs or 1,610 learners) and Careerforce (517 STMs or 1,427 learners). For BCITO and The Skills Organisation, this is driven from significant growth in apprenticeships, primarily in carpentry, electrical engineering (electricians) and plumbing, gasfitting and drainlaying, as well as the new scaffolding apprenticeship. For Careerforce, this is due to the growing number of apprentices and the impact of the pay equity legislation. The legislation requires support and care workers to be qualified in order to receive higher wages.

20. Final 2018 ITO enrolments are due to be submitted through the ITR by 1 April 2019. Following this we will refresh the final data and provide you updated figures, together with final 2018 SDR and Fees-free data.

[3] The term "ITOs" includes enrolments at employers (DFOs) that are funded directly through the direct funding scheme, including Vodafone which exited the scheme between 2017 and 2018.

Fees-free enrolments have increased from 41,700 in August to 46,800 in December

21. Table 3 shows there are about 46,800 eligible students or trainees (learners) enrolled in eligible qualifications for the full year 2018. This compares to about 41,700 learners as at August.

22. This analysis reflects TEO reporting that the TEC has received for the year ending 31 December 2018. All provider data relates to fees-free eligible enrolments in courses commencing in 2018. Industry training organisations' data relates to fees-free eligible enrolments in a programme commencing in 2018.

Table 3: Number of eligible students or trainees reported by TEO type

	December enrolments	August enrolments	April enrolments		
Tertiary Education Organisation Type	**Students/ trainees receiving a financial benefit**	**Students/ trainees receiving a financial benefit**	**Students/ trainees receiving a financial benefit**	**%age change in fees-free enrolments since April**	**% of total TEO enrolments**
Universities	23,800	23,500	21,100	12.8%	49.9%
Institutes of Technology & Polytechnics	12,100	10,800	7,500	61.3%	25.4%
Wānanga	200	100	100	100.0%	0.4%
Total Tertiary Education Institutions	**36,100**	**34,400**	**28,700**	**25.8%**	**75.7%**
Private Training Establishments	6,800	5,300	3,600	88.9%	14.3%
Total Tertiary Education Providers	**42,900**	**39,700**	**32,300**	**32.8%**	**90.0%**
Industry Training Organisations	4,800	2,600	1,200	300.0%	10.0%
Total Tertiary Education Organisations	**47,700**	**42,300**	**33,500**	**42.4%**	**100.0%**
Less Multi-enrolments	900	600	200		
Unique Students & Trainees	**46,800**	**41,700**	**33,300**	**40.5%**	

23. Approximately 900 students or trainees are enrolled at multiple TEOs, therefore these have only been counted once in the above figure. The figures in Table 3 exclude provider-based learners that are enrolled in qualifications that were already "fees free" prior to the introduction of the fees-free policy. While these students' fees are not paid through the fees-free appropriation they are consuming their fees-free entitlement. For ITO learners we have reported all fees-free eligible learners enrolled in eligible training as reported in the ITR.

24. Most fees-free eligible enrolments are in universities (49.9%) and ITPs (25.4%). Smaller percentages of learners are enrolled in PTEs (14.3%) and wānanga (less than 1%). ITOs make up 10.0%. These proportions have changed as we have seen increases in fees-free enrolments at ITPs, PTEs and ITOs during the year. This was predicted given these TEOs tend to have in-year intakes. Universities haven't increased significantly given the majority of these enrolments occur at the beginning of the year.

25. As with the fees-free data in April and August, the above figures in Table 3 have been rounded to the nearest hundred. Final fees-free enrolments and associated payments to TEOs will be finalised once:

    a. the reconciliation to the December 2018 single data return (SDR) and 1 April 2019 industry training register (ITR) have been completed;

b. the April 2019 SDR has been analysed;

c. any review requested by a TEO of their data and/or payment allocation has been completed; and

d. learner review requests have been processed.

26. We expect minor changes in the total number of fees-free eligible students or trainees once the data is finalised. This will be provided to you once the above processes have been finalised.

27. The wānanga fees-free enrolments are low due mainly to a couple of reasons. Many of the students that are enrolling at wānanga are older learners whom have a high likelihood of prior tertiary study and therefore are ineligible for fees-free. There are also many programmes offered at the wānanga which were "fees free" prior to the introduction of the fees-free policy. Therefore, students enrolled in these programmes will not be receiving a financial benefit from the fees-free policy and are not included in the fees-free figures in Table 3.

28. TEOs have currently claimed about $235 million (excluding GST) for fees-free enrolments in 2018. The fees-free payments made to TEOs is subject to the above finalisation processes. We expect any changes to the payments to TEOs to not be substantial. We will update you on the final figure paid out in fees-free payments for 2018 at the same time we provide you with finalised fees-free enrolment data.

Previous advice

29. In October 2018 the TEC and Ministry of Education (MoE) advised you of the August 2018 enrolment numbers (including fees-free) and forecast year-end number of fees-free recipients [METIS 1158144 and B/18/00704 refer].

30. MoE's advice to you at the time forecast that around 50,000 students or trainees were expected to take up fees-free by the end of 2018. This number was based on the number of learners that were enrolled in fees-free eligible programmes and whose characteristics indicated they could be eligible for fees-free support, as at August 2018, and projected out to December 2018.

31. MoE has briefed you on the monitoring and evaluation framework for the fees-free tertiary education policy [METIS 1174319 refers]. It expects to provide you with its first monitoring report on fees-free enrolments in April 2019. This will also be similar timing for TEC reporting on final fees-free enrolment numbers. This will be followed by a further report in June 2019 on educational performance for fees-free learners, such as completions.

Differences of data in this briefing with data TEC publishes

32. For the last few years the TEC has published high-level sector and individual TEO SDR enrolment data after each reporting period. We expect this to occur in late April or early May 2019, once data is finalised.

33. The publication of this data on the TEC website is for transparency of funding purposes. Therefore we cut the data by funding stream allocated and EFTS, as they relate to consumption of funding. This data is extracted by Funding Source Code in the SDR.

34. The SDR data in this briefing is for enrolment reporting purposes, it includes all funding streams that are related to SAC 3+ (all SAC L3+, SAC L3&4 Competitive funding, MPTT L3&4 and ICT grad schools). Therefore enrolment figures in this briefing compared to the enrolment by funding stream figures published on the TEC website will differ based on the approaches used to extract the data.

Publicly communicating enrolment data and release of this briefing

35. We will discuss with your office how and when you would like to publicly communicate the fees-free specific data and whether you wish to update your Cabinet colleagues prior to the release of this data. Future advice, including MoE's first fees-free monitoring report to you in April 2019, should provide additional context and information for any proactive release of full 2018 fees-free enrolments. We recommend that any release occur following your consideration of these reports. We also recommend that any proactive release of this briefing occur at the same time that any public announcement on fees-free and enrolment data is made.

Appendix A: Tertiary education institutions (TEIs) - SAC level 3 and above enrolments by qualification level[4]

	Dec-18		Dec-17		Change			
	EFTS	Students	EFTS	Students	EFTS	%age	Students	%age
UA	28,518	35,633	28,704	36,071	(187)	-0.7%	(438)	-1.2%
AUT	16,541	22,550	16,270	22,196	271	1.7%	354	1.6%
UW	8,465	10,915	8,270	10,712	195	2.4%	203	1.9%
Massey	15,118	25,453	15,051	25,857	68	0.4%	(404)	-1.6%
VUW	15,799	19,859	15,682	19,792	117	0.7%	67	0.3%
UC	12,232	14,847	11,549	14,140	684	5.9%	707	5.0%
Lincoln	1,794	2,136	1,984	2,924	(190)	-9.6%	(788)	-26.9%
UO	16,972	18,748	16,718	18,567	254	1.5%	181	1.0%
Total Unis	**115,440**	**148,646**	**114,228**	**148,802**	**1,212**	**1.1%**	**(156)**	**-0.1%**
Unitec	5,707	9,950	5,840	10,438	(132)	-2.3%	(488)	-4.7%
Ara	5,537	9,756	5,450	9,814	87	1.6%	(58)	-0.6%
EIT	2,988	5,099	2,888	4,759	100	3.4%	340	7.1%
WelTec	2,180	3,107	2,170	3,180	10	0.4%	(73)	-2.3%
UCoL	2,635	3,946	2,591	3,835	44	1.7%	111	2.9%
MIT	3,687	5,998	4,009	6,535	(321)	-8.0%	(537)	-8.2%
NMIT	1,932	3,809	1,917	3,657	15	0.8%	152	4.2%
NorthTec	1,720	2,981	1,902	3,197	(182)	-9.6%	(216)	-6.8%
Otago	3,894	5,497	3,633	4,939	261	7.2%	558	11.3%
Whitireia	2,025	2,704	1,969	2,793	57	2.9%	(89)	-3.2%
SIT	3,403	6,849	3,229	6,698	174	5.4%	151	2.3%
WITT	860	1,561	881	1,719	(21)	-2.3%	(158)	-9.2%
Wintec	4,113	7,305	4,052	7,180	62	1.5%	125	1.7%
OPNZ	4,592	24,841	4,868	24,210	(276)	-5.7%	631	2.6%
TPP	598	1,206	1,380	2,687	(782)	-56.7%	(1,481)	-55.1%
Toi Ohomai	4,380	7,468	4,426	7,251	(45)	-1.0%	217	3.0%
Total ITPs	**50,251**	**100,474**	**51,202**	**101,241**	**(951)**	**-1.9%**	**(767)**	**-0.8%**
TWoA	13,908	22,409	14,276	22,916	(369)	-2.6%	(507)	-2.2%
TWoR	1,626	3,464	1,630	3,383	(5)	-0.3%	81	2.4%
TWWoA	2,079	4,016	2,396	5,672	(317)	-13.2%	(1,656)	-29.2%
Total Wānanga	**17,612**	**29,281**	**18,303**	**31,205**	**(690)**	**-3.8%**	**(1,924)**	**-6.2%**
Total TEIs	**183,304**	**273,628**	**183,733**	**276,254**	**(429)**	**-0.2%**	**(2,626)**	**-1.0%**

[4] Students can be double counted when they are studying at more than one provider and/or at more than one qualification level. The totals in the SAC tables removes double counted students. Therefore, the student numbers in each of these tables do not equal the totals in the tables.

Appendix B: Industry Training Fund data

Industry Training Fund by Organisation type and Organisation

	Mar-19		Mar-18		Change			
	STMs	Learners	STMs	Learners	STMs	%age	Learners	%age
BCITO	6,793	16,050	6,164	14,853	629	10.2%	1,197	8.1%
Careerforce	5,442	18,293	4,925	16,866	517	10.5%	1,427	8.5%
Competenz	5,127	15,238	5,614	17,540	(486)	-8.7%	(2,302)	-13.1%
Connexis	1,872	5,893	1,975	6,115	(103)	-5.2%	(222)	-3.6%
HITO	561	1,533	522	1,333	39	7.6%	200	15.0%
MITO	2,530	6,011	2,270	5,741	260	11.4%	270	4.7%
NZMAC ITO	217	611	207	577	9	4.5%	34	5.9%
Primary ITO	6,007	20,289	6,719	23,258	(712)	-10.6%	(2,969)	-12.8%
ServiceIQ	4,218	14,754	4,686	16,962	(468)	-10.0%	(2,208)	-13.0%
Skills Active Aotearoa	1,793	6,624	1,833	6,012	(40)	-2.2%	612	10.2%
The Skills Organisation	8,695	22,420	8,080	20,810	615	7.6%	1,610	7.7%
Total ITOs	**43,255**	**126,464**	**42,995**	**128,575**	**261**	**0.6%**	**(2,111)**	**-1.6%**
Fletcher Building	253	521	12	165	241	1999.6%	356	215.8%
Southern Group Training	74	174	65	152	9	13.2%	22	14.5%
St John NZ	401	1,398	608	1,800	(207)	-34.0%	(402)	-22.3%
Vodafone	-	-	250	712	(250)	-100.0%	(712)	-100.0%
Total DFOs	**728**	**2,093**	**935**	**2,829**	**(207)**	**-22.1%**	**(736)**	**-26.0%**
Total Organisations	**43,984**	**128,442**	**43,930**	**131,271**	**54**	**0.1%**	**(2,829)**	**-2.2%**