

Aide-Memoire: EFTS delivery trends since 2005

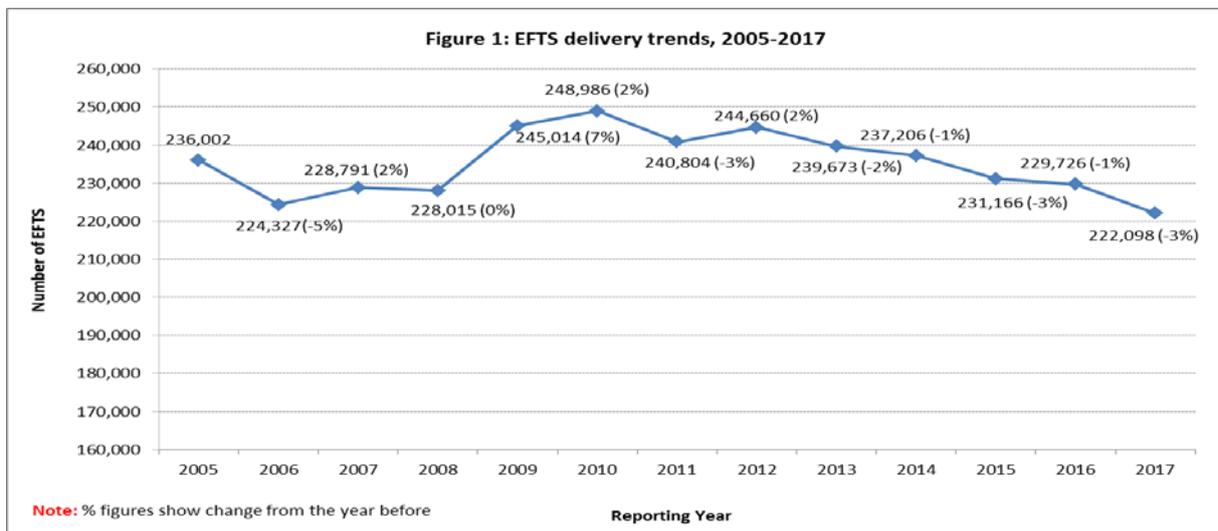
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| To: | Hon Chris Hipkins, Minister of Education |
| From: | Brendan Kelly, Deputy Chief Executive, Information |
| Date: | 12 March 2018 |
| Reference: | AM/18/00127 |

Purpose

1. This paper provides context to the observations made in AM/18/00089 on Equivalent Fulltime Students (EFTS) delivery levels for 2017. It contains an analysis of trends in EFTS for Student Achievement Component (SAC) and Youth Guarantee (YG) funds since 2005.
2. Analysis of 2003 and 2004 data has been excluded due to issues with data in those years. Tables with number of EFTS delivered and learner counts are in the Appendix.

Overall EFTS delivery peaked in 2010, but has been declining since (Figure 1)

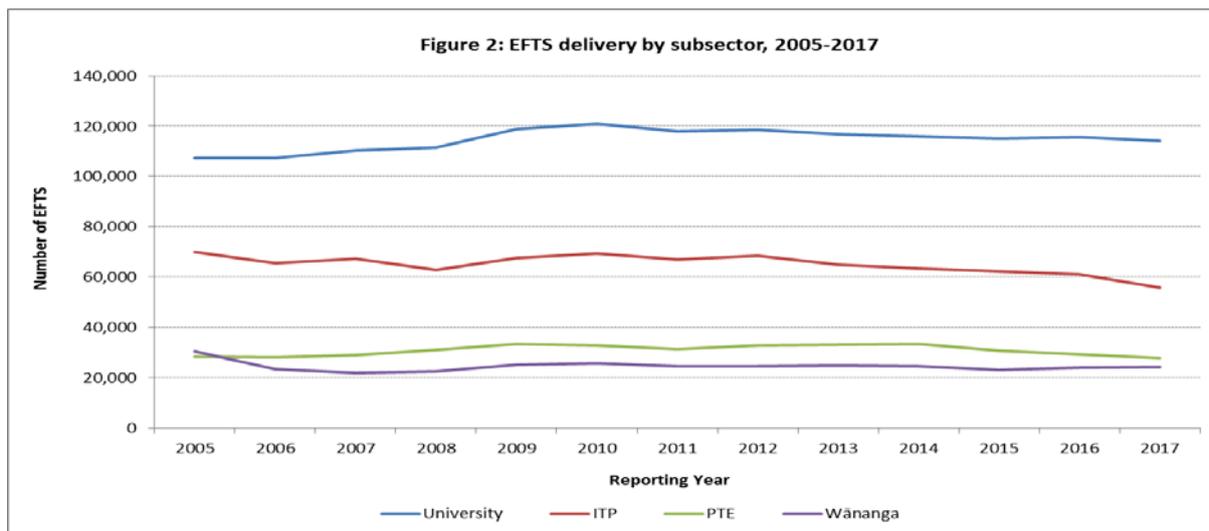
3. The highest number of EFTS delivery for SAC and YG funds was in 2010 (249,000 EFTS), compared with 222,000 EFTS in 2017 (the lowest).¹



¹ All numbers are rounded to the nearest thousand.

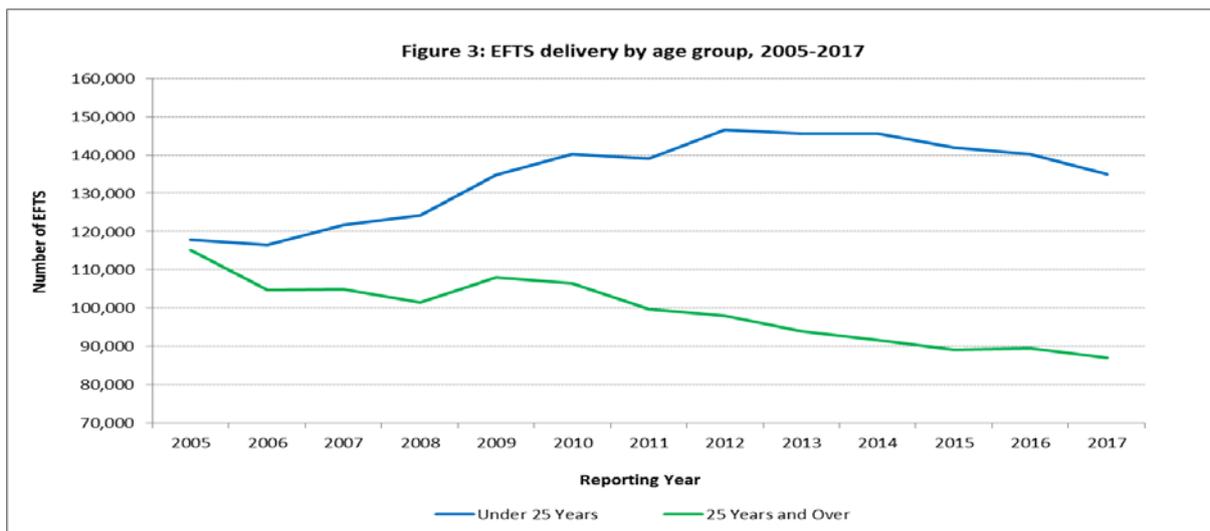
The pattern differs by subsector (Figure 2 - Tables 1 and 2 in the Appendix)

4. Apart from a brief rise following the 2008 global financial crisis, EFTS delivery in ITPs has declined steadily since 2005. We think this reflects a strong economy over the period but will confirm as we report back on the ITP roadmap 2020 project.
5. EFTS delivery in universities increased steadily between 2005 and 2010, but has since gradually declined as the supply of school leavers diminished.
6. EFTS delivery at PTEs and wānanga has remained relatively flat.



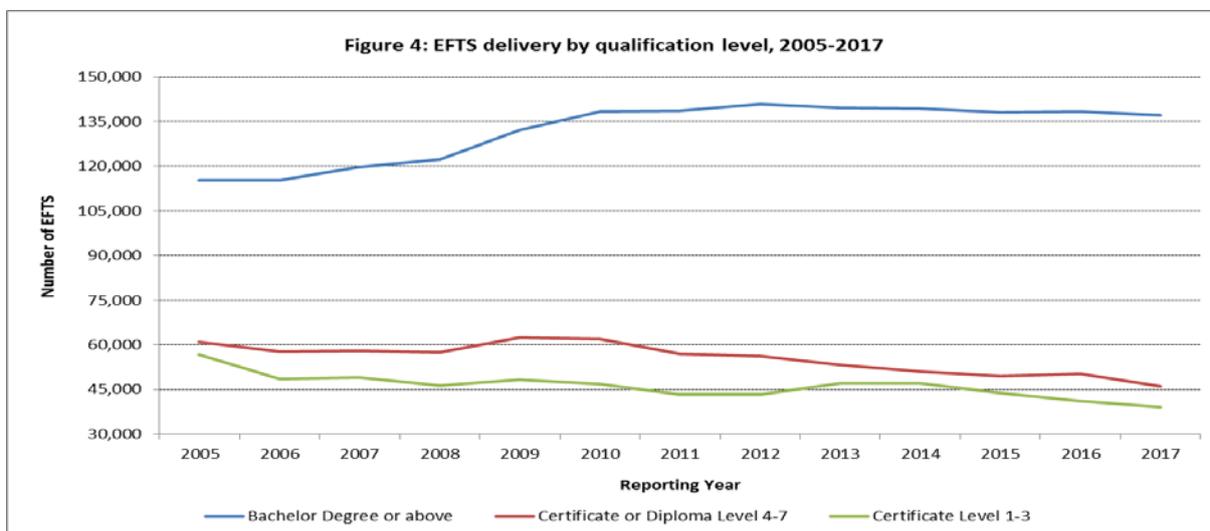
The increase in younger learner EFTS helped offset the decline in older learner EFTS up until around 2012 (Figure 3)

7. Apart from the brief increase in the number of older learner EFTS (25 years and over) following the global financial crisis, the number of older learner EFTS has been steadily declining since 2005. The decline before the global financial crisis can be explained by:
 - TEC removing funding from provision that had poor completion rates or did not align with government funding policy (e.g., regulatory compliance courses which government considered employers should pay for themselves)
 - a strong employment market, and
 - a decreasing number of older learners who had not already attained a tertiary qualification.
8. The latter two effects continued after the global financial crisis.
9. Before 2012 the rise in younger learner EFTS (under 25 years) helped offset the loss of older learner EFTS. Since 2012 there has been no growth in the number of younger learner EFTS and in recent years it has shown a decline. This can be attributed to the number of school leavers being largely static since 2009 and the effects of a strong economy.



EFTS delivery in lower level qualifications has declined since 2005, while EFTS delivery in higher level qualifications increased to 2010 then flattened (Figure 4)

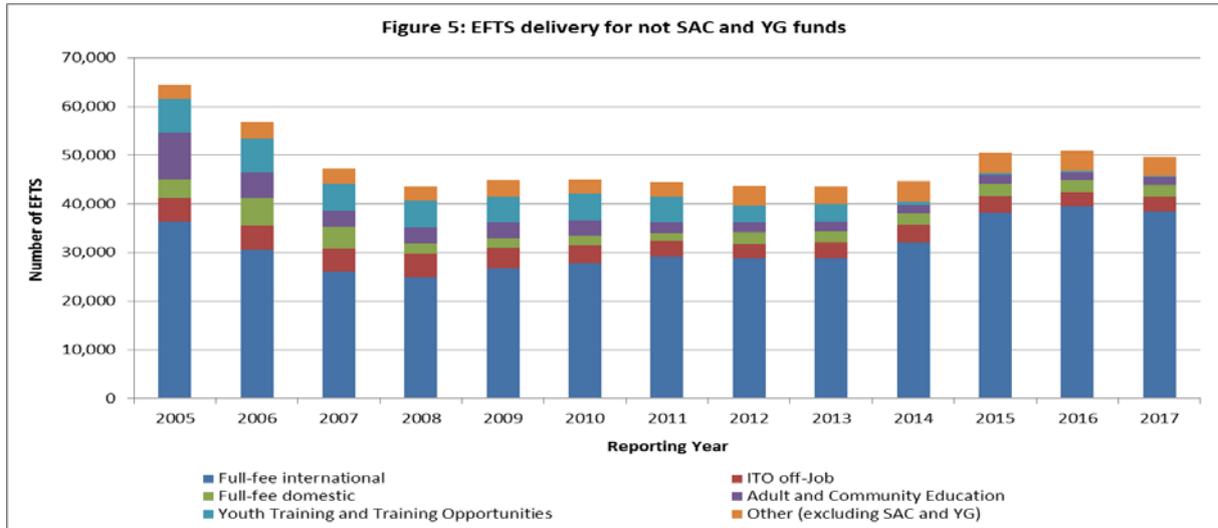
- 10. EFTS delivery in lower-level qualifications has declined since 2005.
- 11. EFTS delivery in Bachelors and above qualifications rose steadily until 2010 after which it flattened.
- 12. These trends reflect the factors identified in paras 7 and 8 above.



Growth in full-fee international students has offset some of the decline in SAC and YG since 2011 (Figure 5)

- 13. While most TEOs get most of their revenue from SAC and YG, many also access (or have in the past accessed) other sources of funding such as Adult and Community Education (ACE) funding, Youth Training and Training Opportunities funding, revenue from full-fee international or domestic students, and ITO off-job funding.

14. Though EFTS delivery for ACE has decreased, delivery in full-fee international students has increased since 2008, and from 2011 onwards the increase has offset some of the decline in SAC and YG. Youth Training funding was transferred to YG in 2012.



Brendan Kelly
 Deputy Chief Executive, Information
 Tertiary Education Commission

12 March 2018

Hon Chris Hipkins
 Minister of Education

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Appendix: EFTS delivery and learner counts by SAC, YG and subsector, 2005 to 2017

Subsectors have been ranked in descending order based on 2017 figure.

Table 1: EFTS delivery by subsector - Total SAC and YG

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| University | 107,215 | 107,256 | 110,283 | 111,499 | 118,957 | 121,001 | 117,932 | 118,491 | 116,661 | 115,770 | 114,953 | 115,440 | 114,233 |
| ITP | 69,853 | 65,635 | 67,382 | 62,880 | 67,602 | 69,473 | 66,985 | 68,584 | 65,048 | 63,533 | 62,227 | 60,962 | 55,882 |
| PTE | 28,420 | 28,007 | 29,082 | 31,111 | 33,356 | 32,700 | 31,264 | 32,892 | 33,127 | 33,412 | 30,908 | 29,242 | 27,710 |
| Wānanga | 30,514 | 23,430 | 22,044 | 22,526 | 25,099 | 25,812 | 24,623 | 24,693 | 24,837 | 24,492 | 23,078 | 24,082 | 24,272 |

Table 2: Learner counts by subsector - Total SAC and YG

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| University | 147,991 | 149,104 | 151,832 | 152,129 | 159,848 | 160,231 | 156,520 | 155,526 | 153,002 | 150,689 | 149,899 | 150,569 | 148,898 |
| ITP | 307,175 | 241,974 | 242,967 | 187,709 | 184,899 | 175,311 | 138,896 | 132,593 | 124,467 | 121,847 | 120,871 | 118,540 | 111,145 |
| PTE | 64,436 | 56,463 | 58,479 | 57,191 | 59,707 | 59,209 | 56,567 | 55,439 | 54,859 | 55,096 | 52,320 | 49,788 | 48,584 |
| Wānanga | 62,220 | 49,031 | 42,262 | 40,261 | 42,456 | 42,158 | 38,534 | 39,032 | 38,691 | 38,257 | 37,142 | 39,918 | 39,844 |

Table 3: EFTS delivery by subsector – SAC 1-2

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|
| Wānanga | 10,901 | 8,540 | 8,774 | 8,970 | 8,944 | 8,137 | 7,781 | 7,898 | 7,112 | 5,665 | 5,255 | 4,914 | 5,514 |
| ITP | 16,655 | 13,841 | 13,916 | 11,313 | 11,351 | 10,065 | 8,537 | 8,048 | 6,130 | 5,937 | 5,211 | 4,842 | 2,489 |
| PTE | 724 | 494 | 562 | 575 | 585 | 521 | 411 | 341 | 1,782 | 1,755 | 1,690 | 1,533 | 2,134 |
| University | 262 | 196 | 47 | 26 | 2 | 0 | 503 | 772 | 477 | 86 | 92 | 85 | 5 |

Table 4: Learner counts by subsector – SAC 1-2

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| Wānanga | 37,499 | 27,203 | 22,922 | 21,059 | 19,346 | 18,020 | 16,664 | 17,256 | 14,905 | 10,688 | 9,067 | 8,044 | 8,969 |
| ITP | 126,669 | 84,576 | 79,232 | 64,366 | 58,464 | 47,117 | 28,194 | 24,508 | 18,876 | 17,047 | 13,822 | 12,447 | 7,966 |
| PTE | 2,916 | 1,162 | 1,587 | 1,211 | 1,444 | 1,064 | 808 | 768 | 3,735 | 3,787 | 3,023 | 2,664 | 4,034 |
| University | 2,833 | 2,569 | 555 | 194 | 18 | 0 | 1,921 | 3,185 | 1,793 | 348 | 430 | 484 | 107 |

Table 5: EFTS delivery by subsector - SAC 3+

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| University | 106,940 | 107,055 | 110,224 | 111,471 | 118,950 | 121,001 | 117,428 | 117,719 | 116,184 | 115,684 | 114,861 | 115,354 | 114,228 |
| ITP | 53,054 | 51,696 | 53,414 | 51,508 | 56,178 | 58,266 | 56,705 | 58,860 | 56,882 | 55,253 | 54,524 | 53,672 | 51,237 |
| PTE | 24,921 | 24,776 | 26,471 | 28,473 | 30,650 | 29,540 | 28,045 | 27,035 | 26,105 | 25,003 | 22,913 | 21,773 | 20,412 |
| Wānanga | 19,613 | 14,889 | 13,270 | 13,555 | 16,155 | 17,675 | 16,747 | 16,655 | 17,406 | 18,258 | 17,239 | 18,645 | 18,300 |

Table 6: Learner counts by subsector - SAC 3+

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| University | 147,261 | 148,564 | 151,469 | 152,011 | 159,831 | 160,231 | 155,028 | 152,987 | 151,439 | 150,413 | 149,557 | 150,204 | 148,802 |
| ITP | 203,192 | 170,962 | 176,704 | 134,231 | 137,245 | 136,099 | 113,533 | 110,898 | 106,993 | 105,041 | 106,024 | 104,783 | 101,331 |
| PTE | 58,484 | 52,149 | 54,612 | 53,650 | 56,057 | 55,459 | 52,581 | 47,624 | 44,709 | 42,656 | 40,308 | 38,591 | 37,028 |
| Wānanga | 27,919 | 23,697 | 21,101 | 21,011 | 24,777 | 25,600 | 23,140 | 23,023 | 25,391 | 28,066 | 28,230 | 31,971 | 31,204 |

Table 7: EFTS delivery by subsector - YG

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| PTE | 2,775 | 2,737 | 2,049 | 2,063 | 2,121 | 2,639 | 2,807 | 5,516 | 5,239 | 6,655 | 6,305 | 5,936 | 5,164 |
| ITP | 144 | 98 | 52 | 59 | 73 | 1,142 | 1,744 | 1,676 | 1,983 | 2,330 | 2,493 | 2,449 | 2,156 |
| Wānanga | | | | | | | 95 | 141 | 318 | 568 | 583 | 523 | 458 |
| University | 13 | 5 | 12 | 1 | 4 | | | | | | | | |

Table 8: YG Learner counts by subsector - YG

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| PTE | 3,410 | 3,435 | 2,598 | 2,607 | 2,541 | 2,937 | 3,456 | 7,292 | 7,092 | 9,528 | 9,864 | 9,381 | 8,488 |
| ITP | 163 | 131 | 91 | 109 | 133 | 1,462 | 2,311 | 2,088 | 2,630 | 3,285 | 3,818 | 3,774 | 3,801 |
| Wānanga | | | | | | | 102 | 135 | 398 | 675 | 729 | 678 | 558 |
| University | 17 | 9 | 18 | 1 | 5 | | | | | | | | |