

2015 Tertiary Education Performance

On this page:

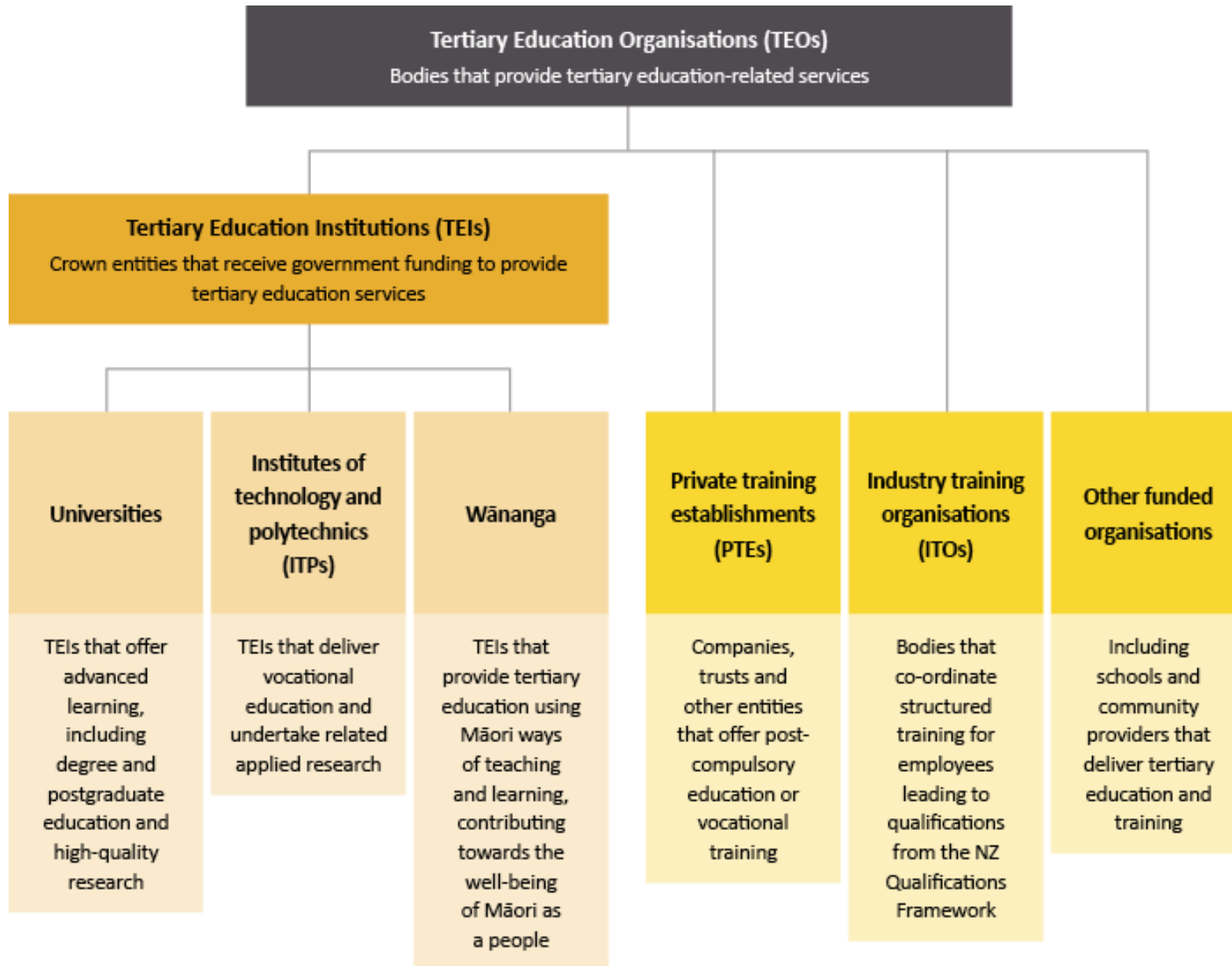
- [The tertiary education sector](#)
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The tertiary education sector

New Zealand's economic and social well-being relies in part on a high-quality and responsive tertiary education system. Its most important role is to help New Zealanders develop the right knowledge and skills to meet the challenges of the 21st century.

Tertiary education in New Zealand includes all post-school education, from adult and community education, literacy and numeracy skills and industry training (including New Zealand Apprenticeships) to certificates and diplomas, Bachelor-level degrees and postgraduate qualifications. These are delivered or arranged by many types of tertiary education organisations (TEOs) (figure 1).

FIGURE 1: TYPES OF TERTIARY EDUCATION ORGANISATIONS



Funding, participation, and educational performance

In 2015 the government invested approximately \$2.81 billion in direct funding to TEOs to achieve the goals detailed in its Tertiary Education Strategy. This equated to an increase of \$42.2 million on 2014.

In early 2014 the government released the *Tertiary Education Strategy 2014–19* (TES), which signalled new priorities for tertiary education in New Zealand. The new TES emphasised a shift in focus from system outputs to outcomes and the opportunity for New Zealand to develop a tertiary system that is more flexible, outward-facing, engaged and focused on improving outcomes for learners and the country.

With the New Zealand economy continuing to show healthy growth, the labour market increased by approximately 32,000 people throughout 2015 and the unemployment rate continued to fall. Tertiary education enrolment numbers of domestic students were down on 2014, which may be due in part to improving labour market conditions as employment becomes a more attractive option.

Funding

In 2015 the TEC continued to move funding from low-performing provision to high-performing provision that accelerates skills development and contributes to our economic growth. It also continued to respond to labour market demand by focusing tertiary education in the areas of engineering, ICT and primary industries. Over the year, the TEC focus for the tertiary sector remained on making a bigger contribution to New Zealand's economic growth within current levels of government investment. This meant focusing on outcomes and raising performance – especially for Māori and Pasifika learners, where the biggest gains are to be made.

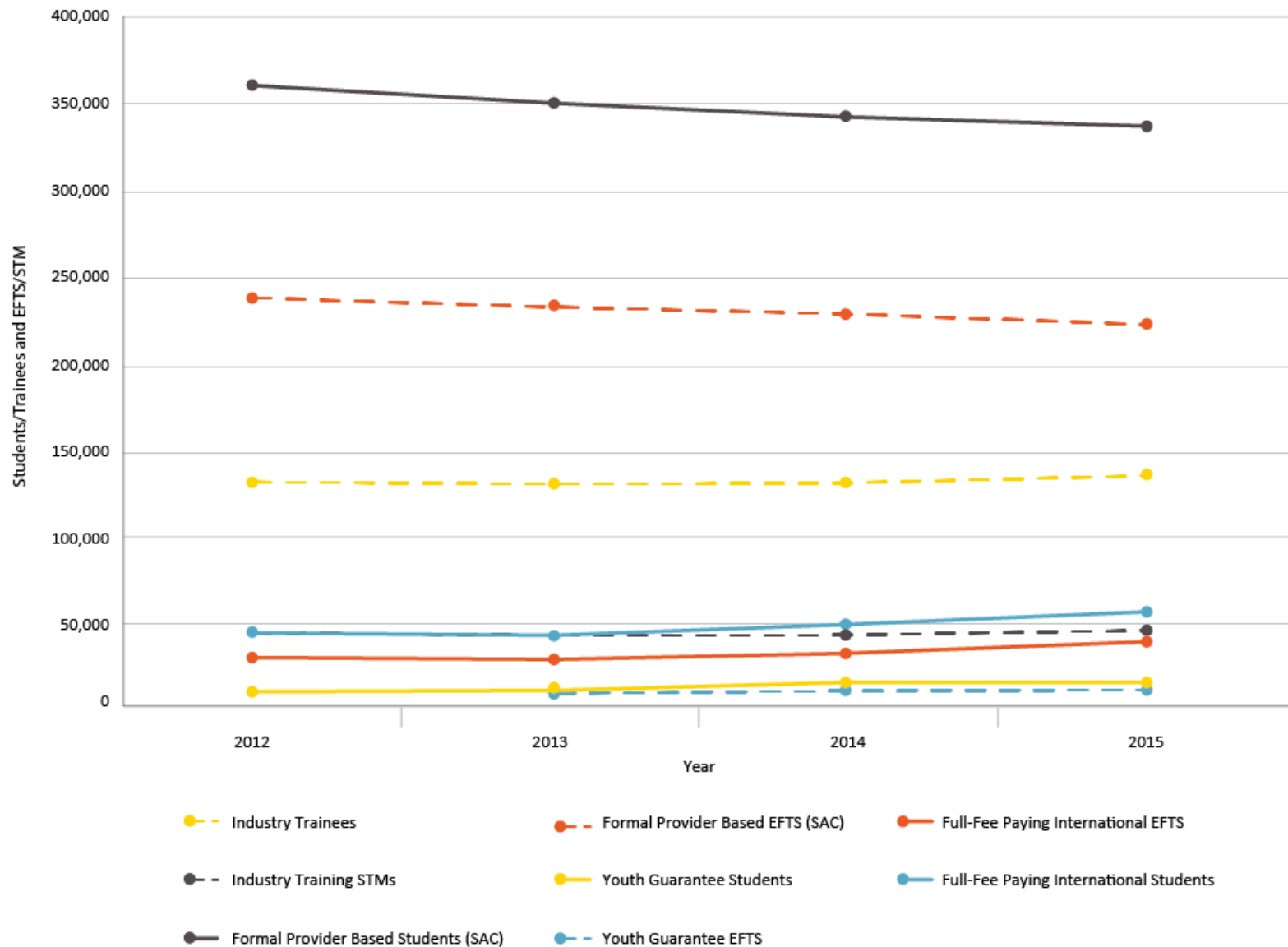
Tertiary Education Organisations	2014		2015	
	\$(000)	%	\$(000)	%
Universities	\$1,472,796	53%	\$1,537,728	55%
Institutes of technology and polytechnics (ITPs)	\$595,356	22%	\$592,003	21%
Wānanga	\$168,501	6%	\$160,103	6%
Industry training organisations (ITOs)	\$185,398	7%	\$188,746	7%
Private training establishments (PTEs)	\$311,065	11%	\$293,978	10%
Other funded organisations ¹	\$32,104	1%	\$34,912	1%
Grand Total	\$2,765,220	100%	\$2,807,470	100%

Participation and performance

Overall, 405,074 students, or 268,866 equivalent full-time students (EFTS) (excluding industry training), were enrolled in formal qualifications at TEOs in 2015. Of these, 221,872 EFTS (336,603 students), were SAC enrolments, 37,618 EFTS (54,430 students) were international full-fee paying students, and 9,376 EFTS (14,041 students) were enrolled in Youth Guarantee-funded programmes.

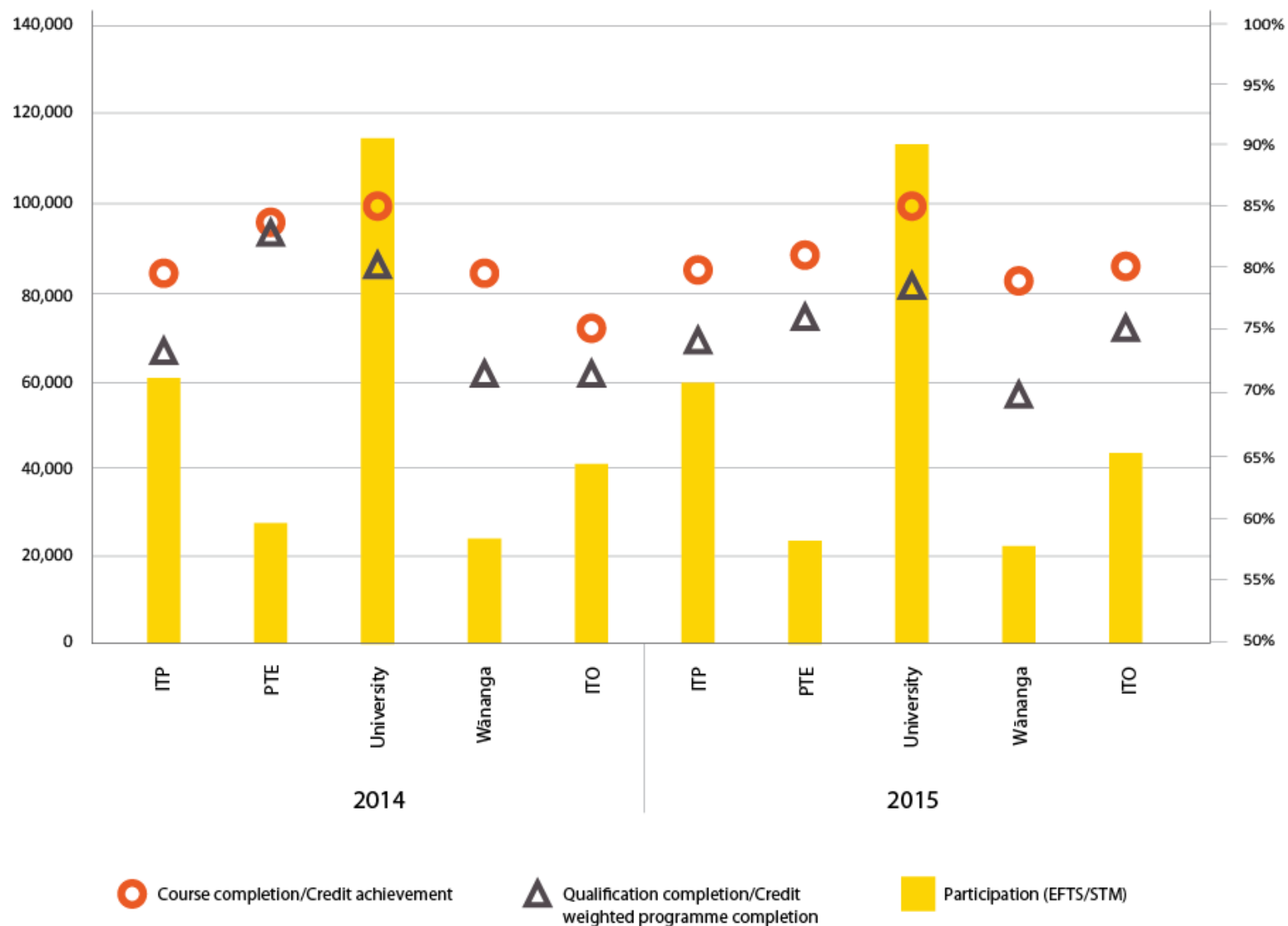
Also in 2015, 133,948 trainees [44,513 standard training measures (STMs)] were engaged in industry-based training, including 35,344 Modern Apprenticeships and New Zealand Apprentices.

FIGURE 2: TOTAL LEARNER NUMBERS AND DELIVERY VOLUMES 2012–2015



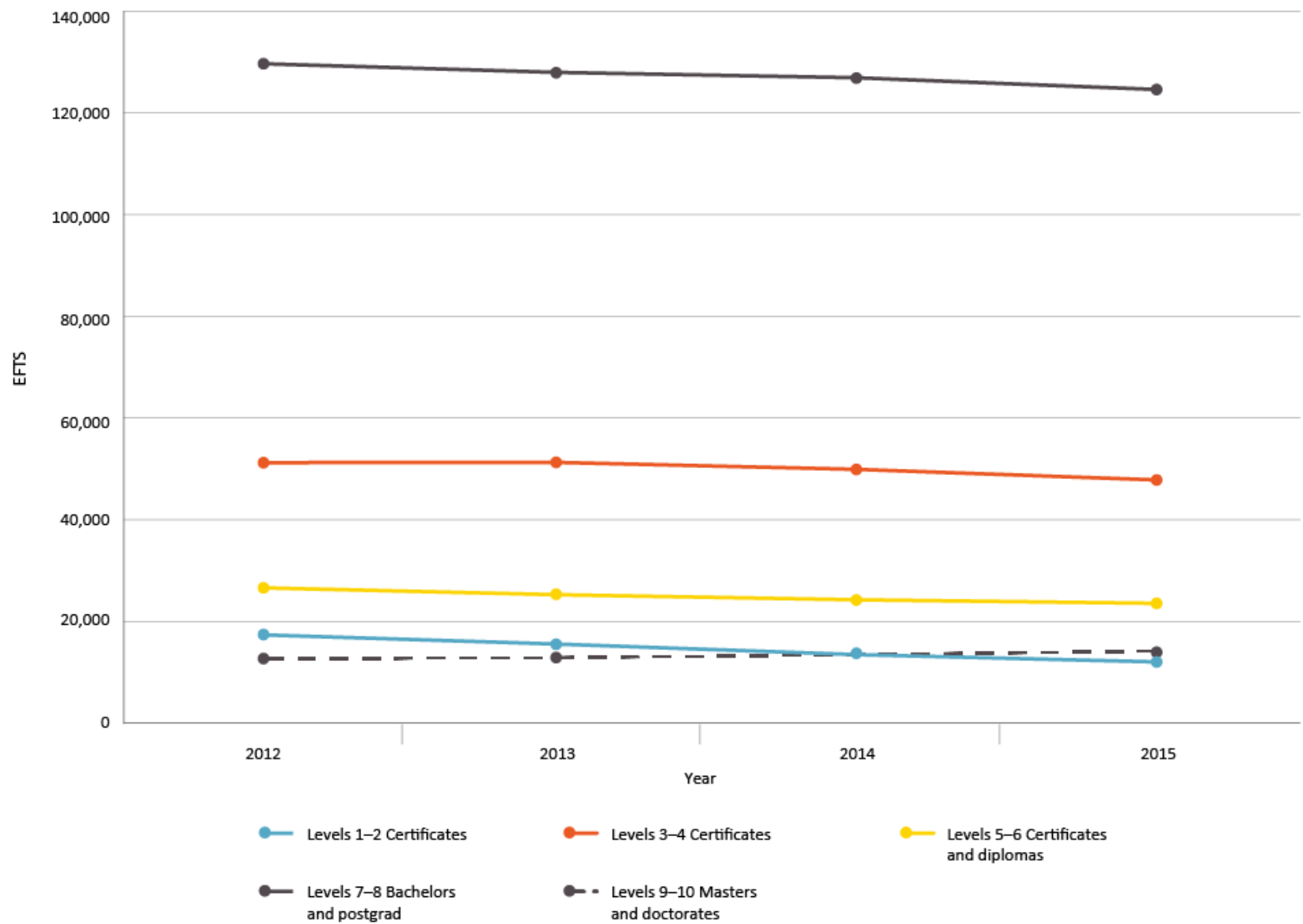
Overall there was no significant change in educational performance for 2015. There was however an increase in the progression rate in the University sector of 16 percentage points, from 50.0% to 65.6% (note that this measure fluctuates in the university sector as low enrolment numbers at levels 1–4 mean that small changes in the number of learners progressing can disproportionately affect the rate). In terms of educational achievement, the ITO sector saw a moderate improvement and the PTE sector a moderate decline compared with 2014.

FIGURE 3: PARTICIPATION AND ACHIEVEMENT BY SUB-SECTOR 2014–2015



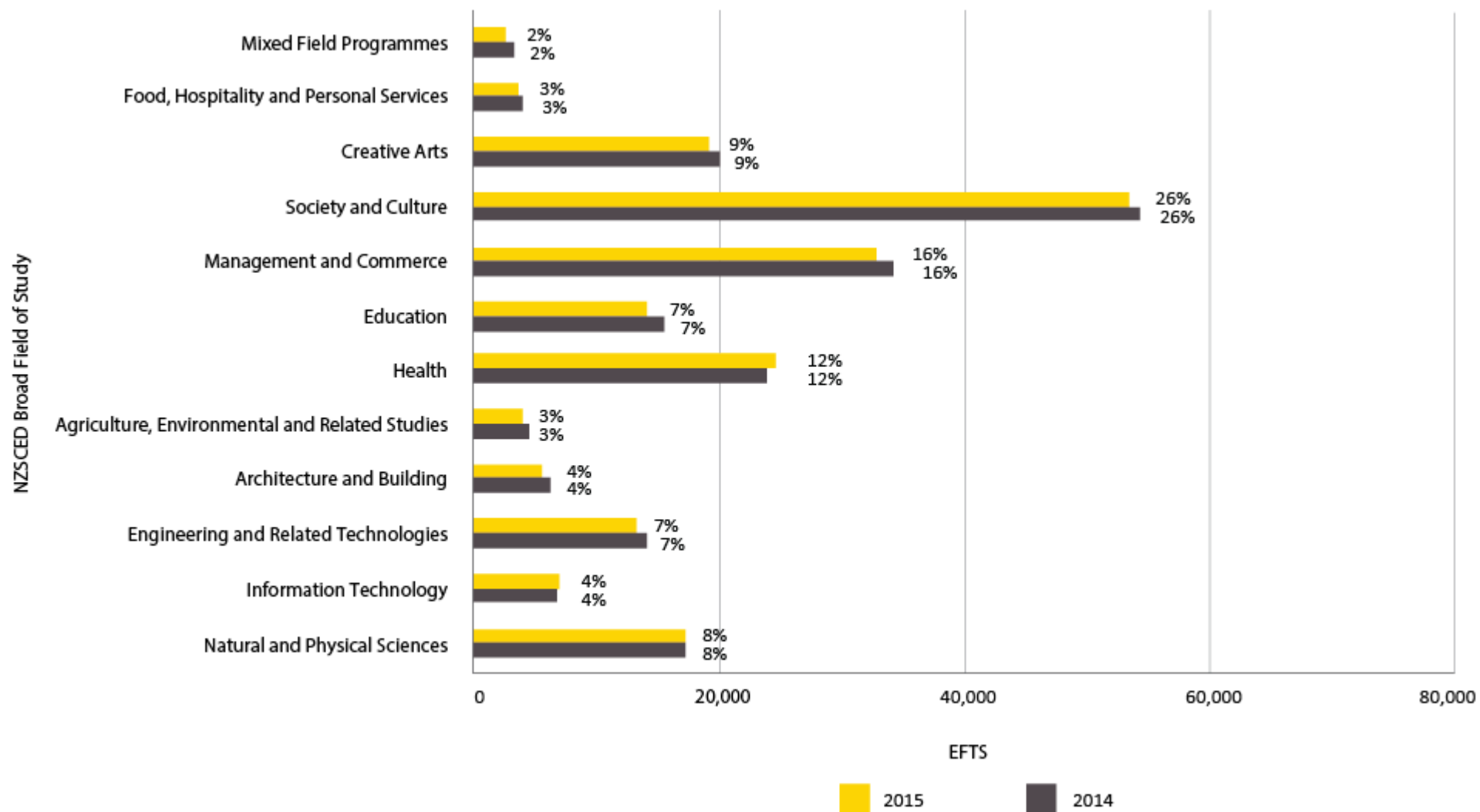
Over the last few years formal provider-based delivery has continued to gradually shift away from lower levels toward higher levels on the New Zealand Qualifications Framework (NZQF). In 2015 this trend continued with slight increases in the proportion of EFTS delivered at level 7+. In terms of actual EFTS delivered, there were decreases across most levels but small increases at levels 8, 9 and 10.

FIGURE 4: SAC EFTS BY LEVEL OF STUDY 2012–2015



In terms of area of study, there was little change in the relative volume of delivery for 2015. The largest proportion of delivery was in Society and Culture (26%), followed by Management and Commerce (16%) and Health (11%).

FIGURE 5: SAC EFTS DELIVERY BY SUBJECT AREA 2014–2015



¹This includes \$ 22.56 million, to 377 schools, to fund Gateway, ACE in Communities, Youth Guarantee, Intensive Literacy and Numeracy and Workplace Literacy.

Responding to the Tertiary Education Strategy

The tertiary sector plays a key role in enhancing knowledge and skills from providing foundation-level learning through to the most advanced training and qualifications. The government sets out its long-term strategic direction for tertiary education in the TES issued by the Minister for Tertiary Education, Skills and Employment. In coming years, the government requires the tertiary education system to become more flexible and strategic by:

- ensuring that the tertiary education system performs well, not just as its own system, but also as a part of the wider New Zealand economy
- ensuring that the system can adapt more quickly to change, including changing technologies and changing patterns of demand, and
- addressing changing skill needs so that the skills gained in tertiary education link to employment opportunities in the labour market.

To achieve this, the government has articulated six priorities:

- delivering skills for industry
- getting at-risk young people into a career
- boosting achievement of Māori and Pasifika
- improving adult literacy and numeracy
- strengthening research-based institutions, and
- growing international linkages.

The information provided here, will focus on the tertiary sector's contribution to these priorities for 2015.

Responding to the Tertiary Education Strategy

TES priorities

On this page:

- [Priority 1: Delivering skills for industry](#)
 - [Priority 2: Getting at-risk young people into a career](#)
 - [Priority 3: Boosting achievement of Māori and Pasifika](#)
 - [Priority 4: Improving adult literacy and numeracy 2015](#)
 - [Priority 5: Strengthening research-based institutions](#)
 - [Priority 6: Growing international linkages](#)
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There were various initiatives developed or implemented by the TEC in 2015 to give effect to the TES. This section outlines initiatives designed to contribute to these priorities and the Sector's response.

Priority 1: Delivering skills for industry

New Zealand's labour force needs to have a range of technical and transferable skills that are well matched to labour market needs. These include skills for addressing new and emerging shortages in specific areas, such as ICT science, technology, engineering and mathematics (STEM) skills needed for innovation and economic growth. This calls for more co-operation between industry and TEOs to identify the types of skills most needed and how best to develop them. TEOs need to create opportunities for industry involvement in planning and delivering education, including re-skilling opportunities for the existing workforce, while industry will need to clearly identify its medium- and long-term needs, and attract and retain the talent it requires. For 2015, the overall sector delivery volumes of STEM subjects at SAC level 3+ increased from 19% to 20% of total SAC 3+ delivery.

ICT Graduate Schools

Budget 2014 allocated \$28.6 million over four years to establish ICT Graduate Schools at three New Zealand locations. The goal of these ICT Graduate Schools is to produce ICT graduates with work-relevant and business-focused skills; provide more direct pathways from education into employment; and help grow New Zealand's ICT talent to support firm growth, innovation and productivity. This is being achieved by tertiary education providers forming consortia with high-tech firms that allow them to work directly with industry to design programmes of study and offer experiential learning opportunities for students, and increase industry-focused ICT education and research. More than 350 EFTS are expected to graduate from the Schools per annum once they are fully established (from 2018).

ICT Graduate Schools are located in the South Island, Wellington and Auckland. The Auckland and Wellington schools began programme delivery in 2016. Although the Schools have only just become operational, both have reported strong interest from students and industry.

Engineering – Education to Employment project

The government has set a goal of increasing the number of engineering graduates by an additional 500 per year from 2017 and has increased the tuition subsidy to help achieve this. In 2014, the TEC initiated the Engineering – Education to Employment (E2E) project in collaboration with providers and employers to raise awareness of engineering as a career; develop pathways into tertiary education from senior secondary schools (including curriculum components); and ensure that the skills being taught are what industry needs.

In Budget 2015, the government provided \$6 million over four years for initiatives to grow the pipeline of students studying engineering.

Key achievements to date include working with engineering employers to discover the skills they need from graduates emerging from the tertiary sector, to feed into the design of industry-relevant tertiary engineering programmes; the expansion of the engineering2e.org.nz website which includes a wide and growing range of case studies to share best practice and encourage participation in relevant initiatives; the 'Make the World' nationwide public awareness campaign to grow young people's aspirations in engineering and encourage them to enter tertiary-level engineering study; and launching the Secondary Tertiary Pathways initiative to develop better pathways for secondary school students into engineering careers.

Priority 2: Getting at-risk young people into a career

Tertiary education plays a central role in equipping young people with the key employability skills and qualifications they need to begin a career. Those not in employment, education or training (NEET) are the focus of this priority. Many of our interventions are targeted towards NEETS and we are increasingly looking at flexible models of delivery to better support learners to employment such as 3+2 models and programmes with work experience. Our key interventions for young NEETs is the Youth Guarantee programme.

Youth Guarantee

Youth Guarantee provides fees-free tertiary places for eligible domestic students aged 16 to 19 years who are studying towards NCEA levels 1 or 2 or another qualification at levels 1, 2, or 3 on the NZQF. We are encouraging providers to increasingly engage with industry and employers to achieve the desired outcomes of further study and employment for Youth Guarantee learners. Youth Guarantee programmes are an important contributor to reaching the Better Public Services target of 85% of 18-year-olds achieving National Certificate of Education Achievement Level 2 (or equivalent) by 2017.

In 2015 there were approximately 9376 YG EFTS delivered across the tertiary education sector, a decrease of 259 from 2014. This change was made up of an increase of 162 EFTS in the ITP sector, 15 in the Wānanga sector and a decrease of 436 EFTS in the PTE sector. Educational achievement improved overall with a slight increase in the Wānanga sector and a moderate increase in the PTE sector.

FIGURE 6: YOUTH GUARANTEE PARTICIPATION AND ACHIEVEMENT 2014–2015



Priority 3: Boosting achievement of Māori and Pasifika

All individuals from all backgrounds must have the opportunity to realise their talents through an inclusive tertiary education system that improves outcomes from study. The government is seeking to further strengthen achievement from two key groups who will together represent 30% of New Zealanders by 2030: Māori and Pasifika. It is essential that tertiary education improves its delivery to these groups through culturally responsive provision and other meaningful practices or initiatives that engage these learners for success.

Initiatives to support Māori performance

Māori are critical to New Zealand's future success. To ensure they are able to take advantage of future employment opportunities and contribute to a productive and vibrant New Zealand economy, we want a system that enables Māori learners to participate and achieve at all levels of tertiary education on par with their peers.

Tū Māia e te Akonga is our action plan to raise Māori learner participation and achievement in tertiary education. The outcomes we want to see are:

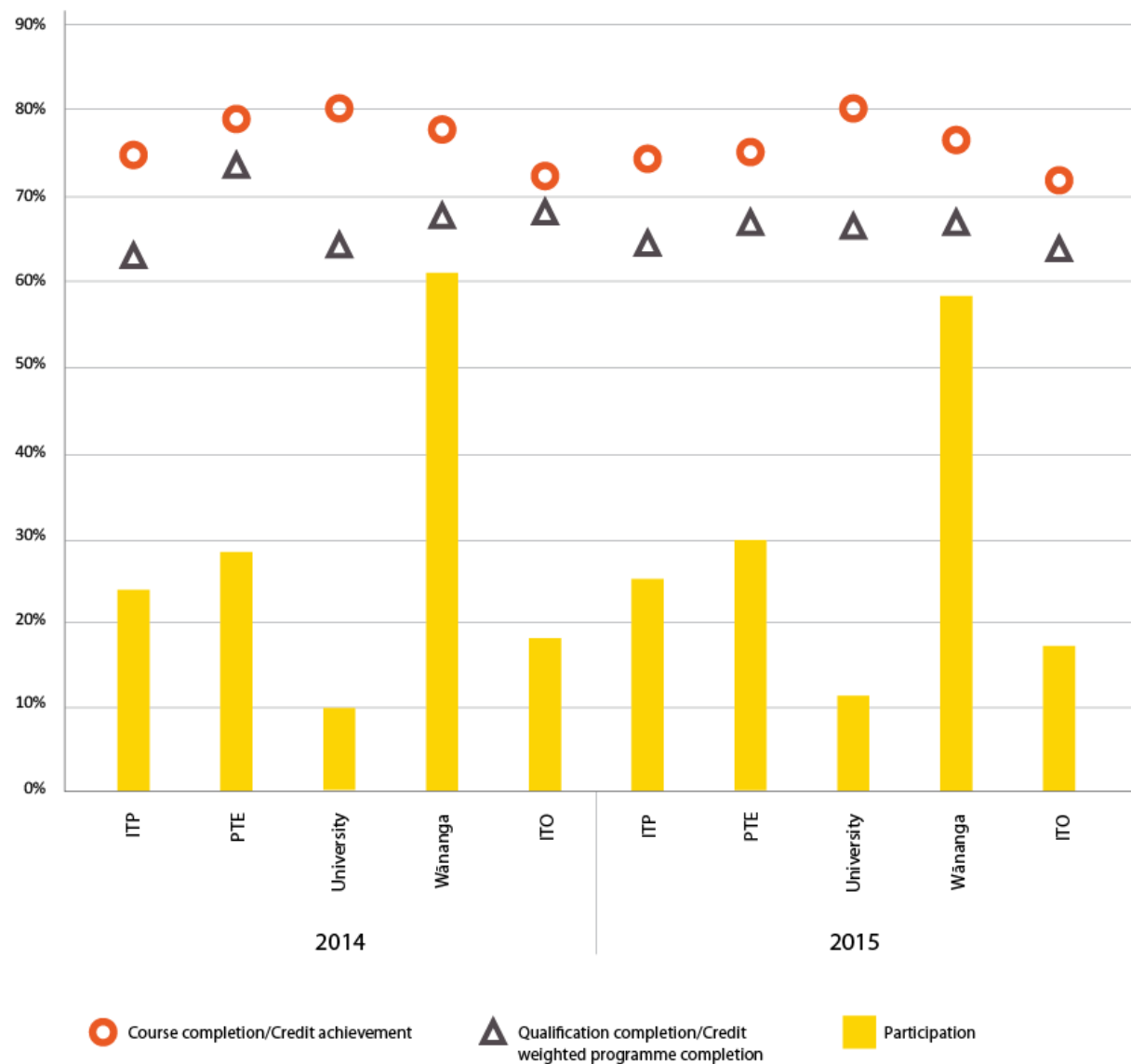
- more Māori learners achieving at least NCEA level 2 and University Entrance or its equivalent during their time at secondary school;
- increasing transition rates directly into higher levels of tertiary education;
- stronger progression rates into higher levels; and,
- more Māori learners achieving qualifications at levels and in fields of study that lead to sustainable employment outcomes.

We acknowledge that this isn't something we can achieve on our own. So we are working better with the sector and agencies to support tertiary education organisations to achieve these goals.

We have worked more collaboratively with our education agency partners, and with those who have a stake in successful Māori learner educational outcomes such as Iwi and other Māori and community organisations. Information on the Tū Maia Action Plan's specific focus areas is available [here](#) on our website.

In 2015, the overall Māori participation rate remained similar to 2014, with a very slight increases in the university, ITP and PTE sectors and slight decreases in the wānanga and ITO sectors. Educational achievement remained similar to 2015 with the most significant change being seen in the PTE sector where course completions decreased from 79% in 2014 to 75% in 2015 and qualification completions decreased from 74% to 67%.

FIGURE 7: MĀORI PARTICIPATION AND ACHIEVEMENT 2014–2015



Initiatives to support [Pasifika performance](#)

Over the last year, we used the TEC's Pasifika Framework and our key mechanisms more effectively to identify and share evidence-based interventions that improve the tertiary system's performance for Pasifika learners.

We refined the Pasifika investment assessment framework and undertook a post implementation review of TEO Investment Plans in meeting the needs of Pasifika learners for the 2015/2016 period. The findings have helped inform further guidance to the sector, including the release of self-review tools and investment guidance to improve TEO performance for Pasifika learners.

We produced and published Pasifika research reports that has helped provide the tertiary sector with an evidence base to develop and implement learning environments that support successful Pasifika outcomes. The purpose of the research is to assist TEOs to lift Pasifika participation, achievement and completion rates in a tertiary setting. The key findings were also used to develop the 2015 Plan Guidance.

The report *Professional Development Practices and Needs to Enhance Responsiveness to Māori and Pasifika Learners in Tertiary Settings* identified aspects of professional development that are important and work to enhance effective teaching and strong educational performance for Māori and Pasifika learners. Professional development to support an understanding of Pasifika cultures, cultural contexts, beliefs, values and identity was identified as an important area of focus.

We worked with the Ministry of Education on the mid-term review of the *Pasifika Education Plan 2013–2017* which sets out the government's strategic vision to accelerate Pasifika achievement in education. The review found the most significant achievement shifts for Pasifika learners have been against the government's three education Better Public Service targets.

We hosted a cross-sector tertiary research forum to share evidence-based approaches and interventions that improve Pasifika outcomes in the tertiary sector - 85% of the attendees stating the forum would help change their approach to support Pasifika learner success.

We hosted workshops with key stakeholders in the university and ITP sectors to discuss opportunities that can make a difference for Pasifika. The key outcome was the sharing of areas of best practice. We will use the findings to refine the Pasifika Investment Plan Assessment Framework for the 2016 Investment Round.

We released Investment Plan Guidance that includes strong expectations on tertiary education organisations to improve outcomes for Pasifika learners. We also developed and tested a new tool with the sector which will enable us to assess the effectiveness of a provider's approach to improve Pasifika outcomes in the 2016 Investment Plan round.

We confirmed a strategy to invest in South Auckland as a key area of focus in our next investment round. This will include:

- tertiary education organisations working with schools
- providing better study and employment information to students and families to raise aspirations improve decision making
- expanding the use of best practice teaching and student support

In 2015, the overall Pasifika participation rate remained similar to 2014, with very slight increases in the university, ITP, and ITO sectors. Educational achievement remained consistent with 2014 in the ITP and University sectors and decreased moderately for the Wānanga and PTE sectors. Educational achievement in the ITO sector improved with course completions increasing from 71% in 2014 to 78% in 2015 and programme completions increasing from 62% to 70%.

FIGURE 8: PASIFIKA PARTICIPATION AND ACHIEVEMENT 2014–2015



Priority 4: Improving adult literacy and numeracy 2015

We finalised our Literacy and Numeracy Implementation Strategy in November 2015 following extensive consultation. The Strategy will guide our literacy and numeracy work for the next four years and sets out how we will work with the sector, employers and across government to lift literacy and numeracy skills.

Tools and resources to help educators and learners

The Literacy and Numeracy for Adults Assessment Tool (Assessment Tool) is the key diagnostic tool that determines literacy and numeracy competency for adults and allows tailored teaching which targets specific need.

In 2015, 75% of all learners required to take an initial reading assessment did so, and 56% of learners required to take a progress reading assessment did so. 71% of all learners required to take an initial numeracy assessment did so, and 54% of learners required to take a progress numeracy assessment did so. Compared with 2014, initial assessment usage was higher but progress assessment use remained similar. Use of the Assessment Tool continued to be higher for Youth Guarantee-funded programmes than for SAC-funded programmes.

We enhanced our existing infrastructure to more effectively achieve learner progress. We launched new Assessment Tool options (Starting Points options for ESOL and foundation-level English learners, and Te Ata Hāpara for Māori learners) to make it more relevant to diverse learners and increase their engagement with learning.

The online self-directed digital tool, Pathways Awarua, achieved record high usage by learners. Learner growth occurred due to the new Road Code pathway which allows adults to prepare for a learners driver licence test while improving their literacy and numeracy, and online marketing showcasing learner and educator success stories.

Improving sector capability and workplace productivity

The new 'He Taunga Waka' professional development programme from Ako Aotearoa improved the teaching practice of educators working with Māori and Pasifika learners to lift learner literacy and numeracy outcomes.

The Industry Training Federation started delivering the revamped Skills Highway programme, which supports firms to improve workers' literacy and numeracy skills. Demand for the Workplace Literacy and Numeracy Employer-led Fund grew to full allocation for the 2015/16 financial year. Training from this fund delivers better business performance and better working lives.

Priority 5: Strengthening research-based institutions

Building tertiary education's contribution to economic growth requires New Zealand to have strong, internationally respected and competitive universities and other research-based institutions. TEOs need to deliver high-quality qualifications for students, and attract and develop skilled staff to teach and to contribute to growing a strong research base. Research covers a broad spectrum, including academic, applied, commercially innovative and business-led research.

Performance-Based Research Fund

The TEC administers the Performance-Based Research Fund (PBRF) with the primary goal of encouraging and rewarding excellent research in New Zealand's tertiary education sector. The PBRF is growing, up from \$262 million in 2013 to \$278.5 million allocated for 2015 and \$300 million due to be allocated for 2016. PBRF Quality Evaluations periodically assess the quality of research carried out by New Zealand-based degree-granting TEOs and their wholly owned subsidiaries, and fund them on the basis of their research performance. Eligible TEOs also generate PBRF funding from external research income (ERI) and students' research degree completions (RDCs).

Following a 2012/2013 Ministry of Education-led review of the PBRF, in February 2014 Cabinet agreed a number of changes to the fund, to progressively take effect from 2015. Revised objectives included a shift beyond rewarding research performance to increasing research quality through a number of operational changes. For the ERI component, the weighting will increase and TEOs will be required to report their PBRF-eligible external research income broken down by source. Another proposed change is to reward tertiary education organisations that attract research funding from industry, iwi and not-for-profit organisations.

In July 2014 the TEC convened a Sector Reference Group to consult with the sector and other stakeholders on a range of implementation issues as part of the development of operational guidelines for the 2018 Quality Evaluation. The results of the consultation informed the guidelines published on 30 June 2016.

In 2015 there were 3,858 RDC's, which was a slight decrease from 3,946 in 2014. Approximately 96% of RDCs were at universities.

In terms of fields of study, Society and Culture (827) Natural and Physical Sciences (799) accounted for the highest proportions of RDCs with 21% and 20% respectively.

Natural and Physical Sciences and Society and Culture accounted for 27% (360) and 20% (271) of RDCs respectively at doctoral level and 17% (439) and 22% (556) at masters level. Most post graduate level RDC's were in Creative Arts (51) accounting for 86% of RDCs at this level.

Centres of Research Excellence Fund

The TEC administers the Centres of Research Excellence (CoREs) with the primary goal of encouraging the development of excellent tertiary education-based research that is collaborative, strategically focused and creates significant knowledge transfer activities. The CoREs fund is fully contestable and funding is allocated and monitored by the TEC.

CoREs are inter-institutional research networks, with researchers working together on commonly agreed work programmes. They are focal points for building specific knowledge/innovation platforms, which allows New Zealand research to compete on the global stage. They build research capacity and capabilities through post-graduate programmes and the training of new researchers. There are currently ten CoREs, receiving a total funding allocation of approximately \$50 million per year.

In 2017 the TEC will review the CoREs to ensure they are making good progress toward achieving their objectives.

Priority 6: Growing international linkages

International education provides an important opportunity to improve the economic, social and cultural value delivered by tertiary education. It not only provides additional sources of income for New Zealand TEOs, but also stimulates international

linkages with overseas counterparts, helps enhance teaching and research, promotes knowledge sharing, builds human capital and realises wider benefits to international relationships and trade.

The TEC works closely with other agencies to help TEOs grow and mature their international linkages, and contribute to the goals of the Leadership Statement for International Education.

Leadership Statement for International Education

The government's *Leadership Statement for International Education* (released September 2011) has become the main strategic framework for government agencies which work to develop international education and sets out guidance for providers active in the sector.

Investing in TEOs to support high-quality international education

We support making New Zealand an attractive place for international students, by investing in well-managed and quality TEOs and encouraging them to grow their international revenue. Through our investments, we encourage TEOs to increase their international education activities that support their core business – both onshore and offshore. We want to see TEOs working, individually and in collaboration with other TEOs, to:

- increase networks, collaboration and joint ventures with international companies and institutions focused on research and innovation, particularly in areas of importance to New Zealand
- integrate international students and international topics into your programmes and curricula to generate benefits for students and produce graduates capable of thriving in a global context
- work with other education providers, especially secondary schools (in New Zealand and offshore) to create pathways for international students into and through the tertiary system
- encourage international students to remain in New Zealand for education or skilled employment.

Centres of Asia-Pacific Excellence

As part of Budget 2016, the Government announced \$34.5 million in funding to develop new Centres of Asia-Pacific Excellence (CAPEs) in New Zealand universities as part of the Innovative New Zealand package.

CAPEs will be cross-institutional centres of excellence in the language, culture, politics and economics of the Asia-Pacific region. They will further develop New Zealand's Asia-Pacific rim knowledge and language skills and facilitate collaboration between TEOs and stakeholders to enhance our partnerships with the region. The TEC is currently working on the design and selection of CAPE providers.

The screenshot shows a web browser window with the URL <http://pr2015.publications.tec.govt.nz/Useful+Links>. The browser's address bar and tabs are visible at the top. The main content area features a dark grey background with a yellow banner at the top left containing the Tertiary Education Commission logo and name. A search bar is located in the top right corner. The central content is a white box with a yellow 'Back' button at the top left. It is divided into two sections: '2015 Tertiary Education Performance' and 'Useful Links'. The '2015 Tertiary Education Performance' section has two sub-sections: 'DOWNLOADS' and 'CONTENTS'. The 'DOWNLOADS' section lists two files: 'The Sector at a Glance 2015 (742KB PDF)' and 'Sector at a Glance Data 2015 (734KB XLSX)'. The 'CONTENTS' section lists two items: '2015 Tertiary Education Performance' and 'Responding to the Tertiary Education Strategy'. The 'Useful Links' section lists three links: 'Explore performance information' (www.tec.govt.nz/funding/funding-and-performance/performance), 'TEO performance information' (www.tec.govt.nz/funding/funding-and-performance/performance/teo), and 'Educational performance Indicator reports' (www.tec.govt.nz/funding/funding-and-performance/performance/teo/epi-reports). The 'TEI governance information' link (www.tec.govt.nz/teo/working-with-teos/tei/governance) is also present. At the bottom of the page, there is a footer with the Tertiary Education Commission logo and name, and the New Zealand Government logo. A 'Back to top' link is also visible in the bottom right corner.

These pages have been downloaded from the Wayback machine – 8 April 2017

<http://web.archive.org/web/20170408122646/http://pr2015.publications.tec.govt.nz/2015+Tertiary+Education+Performance>

This document was on the website, no other hard copy of this information has been found.