Tertiary Education Commission
Te Amorangi Mātauranga Matua

Tertiary Education Report: April 2019 Enrolment Update

Date:	21 August 2019	**TEC priority:**	Medium
Security level:	In Confidence	**Report no:**	B/19/01085
		Minister's office No:	

ACTION SOUGHT		
	Action sought	**Deadline**
Hon Chris Hipkins Minister of Education	**Note** the sector's enrolment data as at 30 April 2019. **Note** the TEC has provided similar data for fees free in a separate briefing [B/19/01086] **Note** that the TEC will publish this data around mid-September.	At your earliest convenience
Enclosure: No	**Round Robin:** No	

CONTACT FOR TELEPHONE DISCUSSION (IF REQUIRED)				
Name	**Position**	**Telephone**		**1st contact**
Gillian Dudgeon	Deputy Chief Executive, Delivery	s9(2)(a) [redacted]	[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	☐ See Minister's Notes	☐ Withdrawn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 sector's enrolment data as at 30 April 2019

2. **note** the TEC has provided similar data for fees free in a separate briefing [B/19/01086]

3. **note** that the TEC will publish this data around mid-September

Gillian Dudgeon

Deputy Chief Executive, Delivery
Tertiary Education Commission

21 August 2019

Hon Chris Hipkins

Minister of Education

__ __ / __ __ / __ __

Purpose

1. This paper provides you with an update of enrolments as at 30 April 2019 for the Student Achievement Component (SAC), Youth Guarantee and Industry Training funds. It compares these enrolments to the same period in 2018 and in some cases 2017.

2. Appendix A provides data tables for SAC and Youth Guarantee funds.

3. Appendix B provides data tables for the Industry Training Fund.

Declining trends experienced by the sector in recent years have continued into 2019 across all SAC and Youth Guarantee funds

4. April 2019 Single Data Returns (SDR) show that SAC and Youth Guarantee enrolments have decreased across the whole sector. As at April 2019 there has been a decrease of 2,651 equivalent full-time students (EFTS) (1.5%) or 4,641 students (1.7%) in all SAC enrolments, compared to April 2018. This continues the declining trends seen in recent years, particularly at vocational education providers.

5. Institutes of technology and polytechnics (ITPs), wānanga and private training establishments (PTEs) saw total SAC enrolments decrease by 3,424 EFTS. This decline has been offset slightly by an increase in university enrolments of 772 EFTS.

6. The Ministry of Education's demand forecast for tertiary education anticipated a slight decline in EFTS in 2019 of around 2%, due to demographic trends and low unemployment. As at April 2019 the decline in EFTS is less than forecast.

SAC Levels 3 and above enrolments contributed to the bulk of this decline

7. SAC Levels 3 and above enrolments across the whole sector are down in April 2019 compared to April 2018, with a decrease of 2,111 EFTS (1.3%) or 3,698 students (1.4%). Only universities are showing growth, up 772 EFTS (0.7%) and 922 learners (0.7%) from this time last year. This is outlined in Table 1 below.

Table 1: SAC Levels 3 and above enrolments in the April 2019 compared to April 2018 SDRs

	Apr-19		Apr-18		Change			
	EFTS	**Students**	**EFTS**	**Students**	**EFTS**	**%age**	**Students**	**%age**
Universities	105,382	138,066	104,610	137,144	772	0.7%	922	0.7%
ITPs	31,043	71,794	33,054	75,216	(2,011)	-6.1%	(3,422)	-4.5%
Wānanga	13,462	20,783	14,084	22,115	(622)	-4.4%	(1,332)	-6.0%
PTEs	14,071	24,673	14,321	24,809	(250)	-1.7%	(136)	-0.5%
Total	**163,958**	**251,930**	**166,069**	**255,628**	**(2,111)**	**-1.3%**	**(3,698)**	**-1.4%**

Foundation education enrolments also continue to experience decline

8. Youth Guarantee and SAC Levels 1 and 2 continue to experience decreasing demand. A factor in Youth Guarantee declining enrolments is increased school retention. For SAC Levels 1 and 2 the decline is likely due to increased competition from the labour market and in some cases, policy requirements on funding.

9. This decrease in demand is having the greatest impact on the wānanga and PTEs, which have experienced a combined decline in enrolments of 707 EFTS or 1,627 students in SAC Levels 1 and 2. Conversely, the ITPs have seen a small increase in SAC Levels 1 and 2 enrolments compared to previous years when they have experienced large declines.

10. The decreases at the wānanga are concerning given the learner cohort the wānanga work with generally and for the funding streams. The TEC are currently working with Te Wānanga o Aotearoa (TWoA) to understand what is contributing to this decline and considering options relating to its foundation education funding in 2019.

At a sub-sector level there is great variability in changes in demand

Universities

11. Overall, universities experienced a slight growth in enrolments of 772 EFTS or 0.7%. This is mainly due to large increases at the University of Canterbury (707 EFTS or 6.2%), Massey University (580 EFTS or 4.3%) and Auckland University of Technology (AUT) (195 EFTS or 1.4%), which have been offset by slight declines at four of the universities.

12. Comparing the April 2017 with the April 2019 SDR, the University of Canterbury has seen an increase of about 1,200 EFTS. Approximately 700 EFTS of this growth has been between 2018 and 2019. The majority of this increase (about 1,000 EFTS) has been in degree level programmes at Level 7 when comparing 2017 to 2019 April SDRs. Most of this growth has been in the sciences and in engineering programmes.

13. Massey University has seen the majority of its growth in Level 7 programmes, particularly in health, architecture and building, education, and society and culture programmes. It has also seen an increase of about 120 EFTS in its PhD programmes between 2018 and 2019. However, its Level 8 Masters programmes have seen a decrease of 250 EFTS during this time.

14. AUT has seen an increase of 823 EFTS from April 2017 when compared to April 2019, although the bulk of this increase occurred between 2017 and 2018. While there were increases across all levels, the largest growth occurred predominantly at Levels 5 and 7. In particular, Level 7 health programmes have contributed to an increase of about 390 EFTS.

15. The University of Auckland has seen decreases of about 600 EFTS in degree Level 7 programmes when comparing April 2017 to April 2019. This has mainly been driven by decreases in its education (decrease of 230 EFTS), and management and commerce programmes (decrease of 350 EFTS). This is a trend seen at most universities where they have responded to government signals in recent years to shift provision more to STEM programmes. It has also seen decreases in its Levels 8, 9 and 10 programmes.

16. The University of Waikato has seen increases in its Level 5 programmes such as its Diploma in Law and its Diploma in Te Tohu Paetahi (Māori Immersion). However, Waikato has seen a decrease of enrolments in its degree level programmes of about 600 EFTS. This has been mainly in information technology, management and commerce, and society and culture programmes. Level 7 education programmes have seen an increase of 100 EFTS which is contrast to other universities.

17. Lincoln's enrolments are declining at all levels of delivery, except for Level 6 where enrolments are static. The majority of these decreases are at levels 3 and 4 between the 2017 and 2019 April SDRs and is due to Lincoln transferring its Telford provision to Taratahi. The majority of its decrease between 2018 and 2019 has come from degree level programmes.

Institutes of Technology and Polytechnics

18. The ITP sector is experiencing a larger decline in enrolments than other sectors. Compared to 2018, April 2019 enrolments indicate they are down 2,011 EFTS and 3,422 students. The TEC are currently engaging with ITPs to determine what is behind this decline however is likely a combination of lack of demand and potential students moving straight into work from school or staying in employment and negative perceptions from ongoing sustainability issues across the sector.

19. Only five ITPs are showing some small growth (Ara, EIT, MIT, SIT and Wintec). The remainder show varying levels of decline, ranging from Unitec (down 797 EFTS), to Otago (down 6 EFTS). The majority of Unitec's decline between 2018 and 2019 is related to the separation of the MindLab into a separate PTE which has resulted in about a 400 EFTS decrease in 2019. It has also seen other significant declines across most of its other programmes, particularly degree level programmes with a decrease of about 300 EFTS.

20. NMIT's significant decreases are accounted for through decreases in its Level 4 Community Support for Older Persons qualification and its Level 7 Bachelor of Nursing (35 EFTS) and small decreases across a number of other programmes. Open Polytechnic has seen decreases of 210 EFTS in all of its main programme offerings. This is likely due to reduced 2018 and 2019 funding following a one-off funding increase in 2017.

21. For SAC Levels 3 and above delivery across the whole sector, the greatest percentage decrease is at level 8 (44.9% or 358 EFTS). Again, this is largely attributable to Unitec's MindLab separation, which is down 82.9% at this level compared to 2018. The greatest volume of declining enrolments are at Levels 7 and 4, down 501 EFTS and 429 EFTS respectively. Loss of enrolments are isolated to a few ITPs. Unitec has also experienced a loss of enrolments at Level 7, down 14.6% or 289 EFTS alongside Weltec, down 19.6% (98 EFTS), and NMIT down 12.4% (61 EFTS).

22. There is more variability at Level 4. Out of the 16 ITPs, 11 show a range of decreases at this level. The ITPs with the largest volume decrease are NMIT and Open Polytechnic. For NMIT this equates to a reduction of 119 EFTS or down 28.9% from April 2018. Year-on-year reductions at levels 4 and 7 accounts for 76% of its overall decline in enrolments.

Wānanga

23. The wānanga sector decreased 622 EFTS between April 2018 and April 2019. The overall decline for wānanga is driven by decreases at levels 3 and 4, down 226 EFTS and 231 EFTS respectively. Volume-wise TWoA is showing the largest decline, down 484 EFTS. The decrease is mostly at Levels 3 and 4 and is likely driving the overall trend across the subsector given its size relative to the other two wānanga. TWoA stopped a number of computing programmes at Levels 3 and 4 in 2017 and 2018.

24. Te Wānanga o Raukawa (TWoR) has the greatest proportional decline, down 15.0%. These shifts are due to reduced enrolments at levels 5 and 7 predominately Mātauranga Māori programmes.

There is enrolment growth in apprenticeships at ITOs

25. Between April 2018 and 2019 the industry training sector has experienced an overall increase of 239 (1.7%) standard training measures or 689 (0.8%) learners. However, an increase of 12.1% in apprenticeship standard training measures (STMs) has been offset by a decrease in industry training STMs of 6.3%. This decrease primarily occurred at level 2, where STMs have decreased 30.4%, from 1,811 to 1,261 STMs. Learners at this level have decreased 25.6%, from 11,604 to 8,636 learners. This continues trends seen in 2018. Further data is provided in Appendix B.

26. Enrolments at industry training organisations (ITOs) can fluctuate during the year, and ITOs rely on rolling enrolments rather than a surge at the start of the year. While training levels may be down by individual ITO on this same time last year, enrolments levels can change at any stage.

Table 2: Industry Training Fund enrolment by learner type

	Apr-19		Apr-18		Change			
	STMs	Learners	STMs	Learners	STMs	%age	Learners	%age
Apprentices	6,940	37,800	6,193	34,407	747	12.1%	3,393	9.9%
Industry trainees	7,593	46,658	8,101	49,532	(508)	-6.3%	(2,874)	-5.8%
Grand Total	**14,533**	**84,035**	**14,294**	**83,346**	**239**	**1.7%**	**689**	**0.8%**

Some ITOs continue to see decreases in 2019

27. Four ITOs have mainly contributed to STM decreases at level 2: Primary ITO (47.5%), Competenz (25.8%), and ServiceIQ (24.8%), and, to a lesser extent, Careerforce (13.3%). In addition, three directly funded organisations are in the process of exiting the scheme, resulting in a decrease in STMs of around 50%, from 190 to 101 STMs.

28. Primary ITO has seen a significant reduction in STMs in the Fruit and Tree Nut Growing (72.8%, from 96 to 26 STMs) and Meat and Meat Product Manufacturing industries (49.1%, from 222 to 113 STMs). The Fruit and Tree Nut Growing industry includes training programmes undertaken by trainees employed through the Recognised Seasonal Employer scheme. Primary ITO has exited training at lower levels to focus on training a smaller number of people at higher levels. There are also a lower number of enrolments compared with last year in meat processing qualifications.

29. Competenz has seen significant decreases in the Manufacturing sector (down 31%, from 326 to 224 STMs), including Food Product Manufacturing down 37%. Programmes affected in this sector include the expiring National Certificate in Food and Related Product Processing and the expiring National Certificate in Manufacturing. Both certificates have been replaced with a New Zealand Certificate, but uptake isn't as high as previously.

30. ServiceIQ has been the subject of a TEC investigation, which will result in a $2.8 million recovery of 2016 funding for enrolments in the Level 2 Retail certificate. Enrolments in this certificate may increase in future but this will depend on continuing assurance that it has robust enrolment practices.

Differences between data in this briefing and data the TEC publishes

31. We publish high-level sector and individual TEO SDR enrolment data after each reporting period. The TEC does this for transparency of funding purposes, accordingly, we present the data by funding streams and EFTS consumed as they relate to funding.

32. 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.

We will continue to update you on 2019 enrolments

33. We will provide you with further 2019 enrolments updates following the August enrolment returns in October. At the same time, we will provide you with an August fees free enrolment data briefing.

34. As is standard TEC practice, we will be publishing this information around mid-September.

Appendix A: Data tables for SAC and Youth Guarantee

SAC Levels 1 and 2

	Apr-19		Apr-18		Change			
	EFTS	Students	EFTS	Students	EFTS	%age	Students	%age
ITPs	1,525	5,300	1,359	4,281	166	12.2%	1,019	23.8%
Wānanga	4,533	6,319	5,127	7,598	(594)	-11.6%	(1,279)	-16.8%
PTEs	1,043	1,864	1,155	2,212	(113)	-9.7%	(348)	-15.7%
Total	**7,102**	**13,433**	**7,642**	**14,020**	**(540)**	**-7.1%**	**(587)**	**-4.2%**

Youth Guarantee

The Youth Guarantee figures have not been adjusted to account for the redefinition of an EFTS to 100 credits. The TEC has only applied this definition for the purposes of funding, not reporting.

	Apr-19		Apr-18		Change			
	EFTS	Students	EFTS	Students	EFTS	%age	Students	%age
ITPs	874	1,283	1,002	1,553	(128)	-12.7%	(270)	-17.4%
Wānanga	47	67	255	395	(207)	-81.4%	(328)	-83.0%
PTEs	2,050	3,867	2,328	4,174	(277)	-11.9%	(307)	-7.4%
Schools	0	2	1	6	(1)	-59.9%	(4)	-66.7%
Total	**2,972**	**5,204**	**3,585**	**6,096**	**(613)**	**-17.1%**	**(892)**	**-14.6%**

SAC only – by NZQF level

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 below removes double counted students.

	Apr-19		Apr-18		Change			
	EFTS	Students	EFTS	Students	EFTS	%age	Students	%age
Level 1	3,086	7,653	3,448	8,332	(362)	-10.5%	(679)	-8.1%
Level 2	4,016	9,531	4,194	9,792	(177)	-4.2%	(261)	-2.7%
SAC L1&2 Total	**7,102**	**13,439**	**7,642**	**14,020**	**(540)**	**-7.1%**	**(581)**	**-4.1%**
Level 3	13,141	29,870	13,669	30,439	(528)	-3.9%	(569)	-1.9%
Level 4	14,615	32,168	15,447	33,044	(831)	-5.4%	(876)	-2.7%
Level 5	10,800	21,301	10,897	21,555	(97)	-0.9%	(254)	-1.2%
Level 6	4,796	12,852	5,192	15,130	(396)	-7.6%	(2,278)	-15.1%
Level 7	92,199	123,297	92,372	123,756	(173)	-0.2%	(459)	-0.4%
Level 8	15,315	22,741	15,435	22,904	(120)	-0.8%	(163)	-0.7%
Level 9	7,123	12,849	7,140	12,672	(18)	-0.2%	177	1.4%
Level 10	5,934	8,326	5,878	8,251	56	1.0%	75	0.9%
Unknown	34	231	39	299	(5)	-12.6%	(68)	-22.7%
SAC 3+ Total	**163,924**	**251,718**	**166,030**	**255,373**	**(2,106)**	**-1.3%**	**(3,655)**	**-1.4%**
Grand Total	**171,060**	**263,449**	**173,711**	**268,090**	**(2,651)**	**-1.5%**	**(4,641)**	**-1.7%**

TEIs - SAC 3+

	Apr-19		Apr-18		Change			
	EFTS	**Students**	**EFTS**	**Students**	**EFTS**	**%age**	**Students**	**%age**
UA	25,104	33,529	25,512	33,725	(408)	-1.6%	(196)	-0.6%
AUT	14,084	19,662	13,889	19,771	195	1.4%	(109)	-0.6%
UW	7,514	9,633	7,752	10,052	(237)	-3.1%	(419)	-4.2%
Massey	14,042	23,093	13,462	22,198	580	4.3%	895	4.0%
VUW	15,131	18,517	15,198	18,595	(67)	-0.4%	(78)	-0.4%
UC	12,097	14,425	11,390	13,621	707	6.2%	804	5.9%
Lincoln	1,190	1,842	1,268	1,977	(79)	-6.2%	(135)	-6.8%
UO	16,221	17,942	16,139	17,848	81	0.5%	94	0.5%
Total Unis	**105,382**	**138,066**	**104,610**	**137,144**	**772**	**0.7%**	**922**	**0.7%**
Unitec	3,600	6,013	4,397	7,268	(797)	-18.1%	(1,255)	-17.3%
Ara	3,032	6,985	3,000	7,131	32	1.1%	(146)	-2.0%
EIT	2,387	3,810	2,300	3,423	86	3.8%	387	11.3%
WelTec	1,716	2,460	1,878	2,616	(162)	-8.6%	(156)	-6.0%
UCoL	2,122	3,012	2,239	3,135	(117)	-5.2%	(123)	-3.9%
MIT	1,773	4,118	1,690	3,968	83	4.9%	150	3.8%
NMIT	1,349	2,429	1,587	2,727	(238)	-15.0%	(298)	-10.9%
NorthTec	928	1,894	969	2,017	(41)	-4.3%	(123)	-6.1%
Otago	2,479	4,534	2,485	4,467	(6)	-0.2%	67	1.5%
Whitireia	1,855	2,257	1,882	2,321	(28)	-1.5%	(64)	-2.8%
SIT	2,697	5,051	2,622	5,115	75	2.8%	(64)	-1.3%
WITT	661	1,103	700	1,188	(39)	-5.6%	(85)	-7.2%
Wintec	2,146	5,027	2,132	4,981	14	0.6%	46	0.9%
OPNZ	1,838	18,507	2,052	19,349	(214)	-10.4%	(842)	-4.4%
TPP	167	359	542	985	(376)	-69.3%	(626)	-63.6%
Toi Ohomai	2,296	4,845	2,578	5,187	(282)	-10.9%	(342)	-6.6%
Total ITPs	**31,043**	**71,794**	**33,054**	**75,216**	**(2,011)**	**-6.1%**	**(3,422)**	**-4.5%**
TWoA	11,434	16,990	11,918	17,987	(484)	-4.1%	(997)	-5.5%
TWoR	907	1,935	1,068	1,992	(160)	-15.0%	(57)	-2.9%
TWWoA	1,121	2,108	1,099	2,397	22	2.0%	(289)	-12.1%
Total Wānanga	**13,462**	**20,783**	**14,084**	**22,115**	**(622)**	**-4.4%**	**(1,332)**	**-6.0%**
Total TEIs	**149,887**	**228,357**	**151,748**	**231,978**	**(1,861)**	**-1.2%**	**(3,621)**	**-1.6%**

Appendix B: Data tables for Industry Training Fund

Industry Training Fund by Learner type and Level

	Apr-19		Apr-18		Change			
	STMs	Learners	STMs	Learners	STMs	%age	Learners	%age
Level 3			1	4	(1)	-100.0%	(4)	-100.0%
Level 4	6,940	37,800	6,192	34,403	748	12.1%	3,397	9.9%
Apprenticeship Total	**6,940**	**37,800**	**6,193**	**34,407**	**747**	**12.1%**	**3,393**	**9.9%**
Level 1	0	2	9	54	(8)	-96.4%	(52)	-96.3%
Level 2	1,261	8,636	1,811	11,604	(550)	-30.4%	(2,968)	-25.6%
Level 3	4,103	25,115	3,987	24,658	116	2.9%	457	1.9%
Level 4	1,755	10,763	1,784	11,365	(29)	-1.6%	(602)	-5.3%
Level 5	355	2,196	404	2,255	(49)	-12.1%	(59)	-2.6%
Level 6	115	619	102	551	13	13.1%	68	12.3%
Level 7	3	11	4	19	(2)	-38.1%	(8)	-42.1%
Industry Training Total	**7,593**	**46,658**	**8,101**	**49,532**	**(508)**	**-6.3%**	**(2,874)**	**-5.8%**
Total	**14,533**	**84,035**	**14,294**	**83,346**	**239**	**1.7%**	**689**	**0.8%**

Industry Training Fund by Organisation type and Organisation

	Apr-19		Apr-18	
	STMs	Learners	STMs	Learners
BCITO	2,455	13,372	2,206	12,191
Careerforce	1,750	10,670	1,759	10,273
Competenz	1,679	10,676	1,710	10,535
Connexis	637	3,579	659	4,189
HITO	201	1,183	184	1,149
MITO	878	4,783	739	4,317
NZMAC ITO	76	485	74	512
Primary ITO	2,028	12,186	2,227	13,485
ServiceIQ	1,410	8,770	1,347	8,644
Skills Active Aotearoa	484	2,847	333	1,972
The Skills Organisation	2,834	15,238	2,866	15,232
Total ITOs	**14,432**	**83,454**	**14,104**	**82,164**
Fletcher Building	86	482	56	395
Southern Group Training	13	86	25	147
St John NZ	2	42	108	667
Vodafone	-	-	0	1
Total DFOs	**101**	**610**	**190**	**1,210**
Total Organisations	**14,533**	**84,035**	**14,294**	**83,346**