Tertiary Education Commission
Te Amorangi Mātauranga Matua

# Tertiary Education Report: August 2018 enrolments at tertiary education organisations

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|---|---|---|---|
| **Date:** | 5 October 2018 | **TEC priority:** | Medium |
| **Security level:** | In Confidence | **Report no:** | B/18/00704 |
| | | **Minister's office No:** | |

## Action Sought

| | Action sought | Deadline |
|---|---|---|
| **Hon Chris Hipkins**<br>Minister of Education | **Note** the August 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 |
|---|---|---|---|---|
| John Soulis | Acting Chief Executive | 9(2)(a) [redacted] | [redacted] | |
| 9(2)(a) [redacted] | Chief Advisor | | 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☐ See Minister's Notes ☐ Withdrawn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 August 2018 enrolment data submitted by tertiary education organisations in the Single Data Return, Industry Training Register and manual fees-free enrolment returns;

2. **note** that this briefing should be read in conjunction with the Ministry of Education's briefing *Commentary on Fees-free students as at August 2018* [METIS 1158144]; and

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

**AGREED / NOT AGREED**

**John Soulis**

Acting Chief Executive
Tertiary Education Commission

5 October 2018

**Hon Chris Hipkins**

Minister of Education

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## Purpose

1. This paper provides you with high-level enrolment data for Tertiary Education Organisations (TEOs) as at August 2018. We have compared this data to the same period in 2017. We have also provided high level fees-free enrolment data by subsector compared with April 2018.

## 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 new, bespoke and manual system.

## 2018 SDR enrolments show mixed results when compared with 2017

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

4. SAC Level 3 and above enrolments across the whole sector remain flat in 2018 compared to 2017, with an overall increase of 57 Equivalent Full-Time Students (EFTS) as at August. This is accompanied by a decrease of 1,174 students.

**Table 1: SAC Level 3 and above enrolments August 2018 compared to August 2017**

| | Aug-18 | | Aug-17 | | Change | | | |
|---|---|---|---|---|---|---|---|---|
| | **EFTS** | **Students** | **EFTS** | **Students** | **EFTS** | **%age** | **Students** | **%age** |
| Universities | 113,798 | 146,659 | 112,828 | 146,649 | 970 | 0.9% | 10 | 0.0% |
| ITPs | 47,235 | 93,250 | 47,960 | 92,572 | (724) | -1.5% | 678 | 0.7% |
| Wānanga | 16,985 | 27,675 | 17,484 | 28,863 | (498) | -2.9% | (1,188) | -4.1% |
| PTEs | 18,577 | 31,011 | 18,267 | 31,685 | 310 | 1.7% | (674) | -2.1% |
| **Total** | **196,596** | **292,174**[2] | **196,539** | **293,227** | **57** | **0.0%** | **(1,174)** | **-0.4%** |

5. There is great variability between subsectors and individual providers. Universities and PTEs show EFTS increases in 2018 compared to 2017. However for PTEs this has been accompanied by a decrease in the number of individual students while university enrolled students have remained flat. ITPs and Wānanga show decreases in EFTS. For the ITPs this is accompanied by an increase in the number of students. This likely reflects an increase in part-time study due to the strong labour market. A detailed breakdown is provided in Appendix A.

6. There are also large decreases in some qualification levels in SAC enrolments across the sector. In particular, Level 4 – a decrease of 1,405 EFTS, and Level 6 – a decrease of 1,471 EFTS. There has also been a small decrease at Level 7 – a decrease of 161 EFTS. These decreases

[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.

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*

7. In the university subsector we have seen a decrease at Lincoln University 198 EFTS (10.2%) or 775 students (27%). 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 Massey University of 118 EFTS (0.8%) or 651 students (2.6%). This August 2018 decrease is smaller than the 2017 full-year decrease. We expect this to still be the case by the end of 2018 given the enrolment pattern for Massey in previous years. The decrease is spread across Levels 4-6 and 8 qualifications, with the majority of the EFTS decline at Level 8 (post-graduate diplomas and certificates, and honours degrees).

8. We have seen large increases at the University of Canterbury (UC) of 642 EFTS (5.6%) or 702 students (5%) and AUT of 480 EFTS (3%) or 656 students (3%). 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. Of the 480 EFTS increase, 360 EFTS of that increase has been at AUT's Manukau campus and in particular, health, society and culture, and mixed field programmes. The increase at the Manukau campus has come from all ethnicities with the largest increases evenly split between Europeans and Pacific Peoples, followed by Māori. Of the 360 EFTS enrolled at the Manukau campus, 280 are aged 29 years or younger with the majority of enrolments in the 18-19 age group.

*Institutes of Technology and Polytechnics enrolments have improved but MIT is experiencing significant decreases*

9. Nine of the 16 ITPs are showing EFTS increases of around 1 to 4%. The number and size of the increases has improved compared to earlier this year. Wintec has seen the greatest increase of 278 EFTS (7.6%) or 428 students (7%). Open Polytechnic has seen a small drop in EFTS (32) but a significant increase in students (1,371). While these small increases are encouraging for the sector most are still below enrolment levels from a few years ago.

10. We have seen large decreases at MIT 450 EFTS (13%) or 712 students (13%), NorthTec 84 EFTS (5%) or 17 students (0.6%) and Unitec 157 EFTS (2.7%) or 210 students (2.3%). MIT has experienced decreases across all qualification levels, except Level 3. While all these decreases are substantive, the largest decline is seen in Level 4 qualifications. MIT's decreases are also across all programme types except in architecture and building. Given the construction market in Auckland, MIT has experienced an increase in carpentry, joinery and other building programmes. NorthTec has experienced declines at most qualification levels except at Levels 5 and 7. These declines are also across most programme types except engineering and related technologies, and society and culture. This is likely to be due to NorthTec's consolidation of courses and delivery sites where enrolment levels haven't made these programmes viable. Unitec's decrease is mixed across levels. There has been growth in Levels 3, 5, 8 and 9 with most EFTS growth at Level 3. Like MIT, Unitec has experienced growth in architecture and building programmes. There is also growth in mixed field or generic qualifications.

*Wānanga have experienced varying levels of decline in enrolments*

11. All three wānanga have experienced a decrease in enrolments. Te Whare Wānanga o Awanuiārangi (TWWoA) and Te Wānanga o Raukawa (TWoR) have both seen decreases in their EFTS and students enrolments. TWWoA has seen significant decreases of 341 EFTS (17%) or 2,014 students (40.7%), and TWoR has seen decreases of 117 EFTS (7%) or 296 students (8.5%). Te Wānanga o Aotearoa (TWoA) has seen a decrease of 41 EFTS (0.3%) but an increase of students of 932 EFTS (4.4%).

12. 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. This large number of students (2,014 students) compared to the smaller number of EFTS (341 EFTS) is because one EFTS is made up of multiple students given the size of the programme. For example one programme is 0.17 EFTS. Therefore, in one EFTS you can have nearly six students enrolled for funding purposes.

13. TWoA's increase in student numbers but flat EFTS is mainly attributable to increased enrolments in short Level 3 Te Reo qualifications.

*SAC Levels 1 and 2 enrolments are up slightly in 2018 mainly driven by a large increase at wānanga*

14. All subsectors have, to varying degrees, seen an increase in SAC Levels 1 and 2 enrolments in 2018 compared to 2017. In total there has been an increase of 226 EFTS or 67 students. The wānanga subsector accounts for most of this growth. This is almost entirely in Te Reo Māori, which are mainly short qualifications and is reflected in the greater increase in learners compared to EFTS.

*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 60 out of 88 providers have experienced a decrease with a total for all YG providers of 1,405 EFTS (21%) and 1,749 learners (17%). The ITP and PTE subsectors make up the bulk of the decrease in YG enrolments with a combined decrease of 1,185 EFTS or 86% of the total decrease. This continues the trend of softening demand for YG over recent years.

## Enrolments in the ITR remain 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 10% compared to August 2017. This has been accompanied by a decrease of 7% for industry training learners.

**Table 2: Industry Training Fund enrolment by learner type**

| | Aug-18 | | Aug-17 | | Change | | | |
|---|---|---|---|---|---|---|---|---|
| | **STMs** | **Learners** | **STMs** | **Learners** | **STMs** | **%age** | **Learners** | **%age** |
| Apprenticeships | 11,132 | 38,777 | 10,067 | 35,336 | 1,065 | 10.6% | 3,441 | 9.7% |
| Industry Training | 14,990 | 62,976 | 15,937 | 67,716 | (947) | -5.9% | (4,740) | -7.0% |
| **Total** | **26,123** | **100,675** | 26,004 | 101,903 | 119 | 0.5% | (1,228) | -1.2% |

17. Four of the 11 ITOs have seen a decrease in their standard training measures (STMs). Competenz has seen the largest decrease of 574 STMs or 2,451 learners. 9(2)(f)(iv) and 9(2)(b)(ii) [redacted]

[3] This includes enrolments at employers that are funded directly through the Direct Funding Scheme, including Vodafone which exited the scheme between 2017 and 2018.

18. Three other ITOs (Primary ITO, ServiceIQ and Connexis) have experienced varying decreases. 9(2)(f)(iv) and 9(2)(b)(ii) [redacted]

19. Two ITOs have seen significant increases. Careerforce and The Skills Organisation have seen increases of 2,451 learners (766 STMs) and 1,280 learners (312 STMs) respectively. For 9(2)(f)(iv) and 9(2)(b)(ii) [redacted]

## Fees-free enrolments have increased from 33,300 in April to 41,700 in August

20. Table 3 shows there are about 41,700 eligible students or trainees enrolled in eligible qualifications as at August. This compares to about 33,300 learners as at April. This data has been validated against enrolments in the SDR and ITR.

21. Approximately 600 students or trainees are enrolled at multiple TEOs, therefore these have only been counted once in the above figure. There are also 500 students 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.

22. Most fees-free eligible enrolments are in universities (56% of eligible enrolments) and ITPs (26%). Smaller percentages of learners are enrolled in PTEs (13%) and wānanga (less than 1%). ITOs make up 6%. These proportions have changed as we have seen increases in fees-free enrolments at ITPs, PTEs and ITOs. 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.

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

| | **August enrolments** | **April enrolments** | |
|---|---|---|---|
| **Provider type** | **Students/trainees receiving a financial benefit** | **Students/trainees receiving a financial benefit** | **%age change in fees-free enrolments since April** |
| Universities | 23,500 | 21,100 | 11% |
| ITPs | 10,800 | 7,500 | 44% |
| Wānanga | 100 | 100 | - |
| **Total Tertiary Education Institutions** | **34,400** | **28,700** | **20%** |
| PTEs | 5,300 | 3,600 | 47% |
| **Total Tertiary Education Providers** | **39,700** | **32,300** | **23%** |
| ITOs | 2,600 | 1,200 | 117% |
| **Total Tertiary Education Organisations** | **42,300** | **33,500** | **26%** |
| Less Multi-enrolments | 600 | 200 | - |
| **Total unique students & trainees** | **41,700** | **33,300** | **25%** |

23. There may be an increase in the total number of fees-free eligible students or trainees by the end of the year from further enrolments and as a result of more students and trainees being confirmed as eligible for fees-free. This will likely be in the ITPs, PTEs and ITOs which have rolling enrolments. There are around 1,000 eligible students in eligible programmes reported in the SDR that have not yet come through in provider reporting. We will work with TEOs to confirm they are reporting all eligible fees-free learners.

24. As with the fees-free data in April, the August figures in Table 3 have been rounded to the nearest hundred. Given enrolments change throughout the year and that enrolments in April and August are not yet definitive for the year we round the figures. The December enrolment returns will provide the definitive number of fees-free enrolments when they are submitted in January 2019.

25. 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.

*We continue to actively manage fees-free funding based on TEOs forecast enrolments*

26. As at 30 June we had paid out $257.3 million to TEOs. Following April enrolment forecasts for the rest of the year we made in-year recoveries where overpayments were identified. These recoveries have totalled about $21.3 million. Payments to TEOs now stand at about $236 million with TEOs claiming $217.0 million.

27. We expect more enrolments at TEOs to be reported between now and 31 December which will reduce the difference between the advanced bulk payments made to TEOs and the fees-free claims. However we continue to monitor TEOs and make in-year adjustments to manage payments made for fees-free. Once TEOs have completed the final fees-free reporting and SDR in January we will complete a wash-up of any remaining overpayments.

## Differences of data in this briefing with data TEC publishes

28. For the last few years the TEC has published high-level sector and individual TEO SDR enrolment data after each reporting period. This tends to happen a couple of months following submission of the SDR. For the April 2018 SDR enrolment return this occurred in mid-June 2018.

29. 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.

30. 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

31. We would like to discuss with you and 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. We recommend that you proactively release this briefing at the same time that any public announcement on fees-free and enrolment data is made.

# Appendix A: SAC level 3 and above enrolments by qualification level

| | Aug-18 | | Aug-17 | | Change | | | |
|---|---|---|---|---|---|---|---|---|
| | EFTS | Students | EFTS | Students | EFTS | %age | Students | %age |
| UA | 28,526 | 35,539 | 28,602 | 35,732 | (75) | -0.3% | (193) | -0.5% |
| AUT | 16,112 | 22,108 | 15,631 | 21,452 | 480 | 3.1% | 656 | 3.1% |
| UW | 8,077 | 10,600 | 8,154 | 10,568 | (77) | -0.9% | 32 | 0.3% |
| Massey | 14,911 | 24,871 | 15,029 | 25,522 | (118) | -0.8% | (651) | -2.6% |
| VUW | 15,581 | 19,549 | 15,508 | 19,486 | 73 | 0.5% | 63 | 0.3% |
| UC | 12,008 | 14,569 | 11,366 | 13,867 | 642 | 5.6% | 702 | 5.1% |
| Lincoln | 1,757 | 2,108 | 1,955 | 2,883 | (198) | -10.2% | (775) | -26.9% |
| UO | 16,826 | 18,608 | 16,583 | 18,369 | 243 | 1.5% | 239 | 1.3% |
| **Total Unis** | **113,798** | **146,659** | **112,828** | **146,649** | **970** | **0.9%** | **10** | **0.0%** |
| Unitec | 5,583 | 9,123 | 5,739 | 9,333 | (157) | -2.7% | (210) | -2.3% |
| Ara | 5,129 | 9,046 | 5,094 | 9,117 | 35 | 0.7% | (71) | -0.8% |
| EIT | 2,895 | 4,723 | 2,795 | 4,483 | 100 | 3.6% | 240 | 5.4% |
| WelTec | 2,189 | 3,104 | 2,164 | 3,134 | 25 | 1.1% | (30) | -1.0% |
| UCoL | 2,651 | 3,831 | 2,580 | 3,621 | 72 | 2.8% | 210 | 5.8% |
| MIT | 2,988 | 4,986 | 3,438 | 5,698 | (450) | -13.1% | (712) | -12.5% |
| NMIT | 1,825 | 3,465 | 1,814 | 3,288 | 11 | 0.6% | 177 | 5.4% |
| NorthTec | 1,597 | 2,679 | 1,681 | 2,696 | (84) | -5.0% | (17) | -0.6% |
| Otago | 3,647 | 5,200 | 3,529 | 4,709 | 118 | 3.4% | 491 | 10.4% |
| Whitireia | 2,012 | 2,661 | 1,948 | 2,652 | 63 | 3.3% | 9 | 0.3% |
| SIT | 3,366 | 6,694 | 3,246 | 6,628 | 119 | 3.7% | 66 | 1.0% |
| WITT | 847 | 1,446 | 859 | 1,416 | (12) | -1.4% | 30 | 2.1% |
| Wintec | 3,934 | 7,046 | 3,656 | 6,618 | 278 | 7.6% | 428 | 6.5% |
| OPNZ | 3,797 | 22,572 | 3,829 | 21,201 | (32) | -0.8% | 1,371 | 6.5% |
| TPP | 605 | 1,129 | 1,363 | 2,468 | (758) | -55.6% | (1,339) | -54.3% |
| Toi Ohomai | 4,171 | 6,835 | 4,224 | 6,735 | (52) | -1.2% | 100 | 1.5% |
| **Total ITPs** | **47,235** | **93,250** | **47,960** | **92,572** | **(724)** | **-1.5%** | **678** | **0.7%** |
| TWoA | 13,795 | 21,999 | 13,836 | 21,067 | (41) | -0.3% | 932 | 4.4% |
| TWoR | 1,552 | 3,202 | 1,669 | 3,498 | (117) | -7.0% | (296) | -8.5% |
| TWWoA | 1,638 | 2,938 | 1,979 | 4,952 | (341) | -17.2% | (2,014) | -40.7% |
| **Total Wānanga** | **16,985** | **27,675** | **17,484** | **28,863** | **(498)** | **-2.9%** | **(1,188)** | **-4.1%** |
| **Total TEIs** | **178,018** | **263,400** | **178,271** | **263,952** | **(253)** | **-0.1%** | **(552)** | **-0.2%** |

## Appendix B: Industry Training Fund data

| | Aug-18 | | Aug-17 | | Change | | | |
|---|---|---|---|---|---|---|---|---|
| | STMs | Learners | STMs | Learners | STMs | %age | Learners | %age |
| BCITO | 3,910 | 13,592 | 3,648 | 12,959 | 261 | 7.2% | 633 | 4.9% |
| Careerforce | 3,325 | 13,801 | 2,559 | 11,350 | 766 | 29.9% | 2,451 | 21.6% |
| Competenz | 2,989 | 11,986 | 3,563 | 14,437 | (574) | -16.1% | (2,451) | -17.0% |
| Connexis | 1,139 | 4,823 | 1,205 | 5,252 | (66) | -5.5% | (429) | -8.2% |
| HITO | 328 | 1,277 | 321 | 1,168 | 7 | 2.3% | 109 | 9.3% |
| MITO | 1,386 | 5,136 | 1,333 | 5,002 | 53 | 4.0% | 134 | 2.7% |
| NZMAC ITO | 131 | 547 | 123 | 506 | 8 | 6.1% | 41 | 8.1% |
| Primary ITO | 3,751 | 15,755 | 3,993 | 17,699 | (243) | -6.1% | (1,944) | -11.0% |
| ServiceIQ | 2,416 | 10,694 | 2,726 | 12,325 | (310) | -11.4% | (1,631) | -13.2% |
| Skills Active Aotearoa | 952 | 4,034 | 937 | 3,610 | 15 | 1.6% | 424 | 11.7% |
| The Skills Organisation | 5,345 | 17,887 | 5,033 | 16,607 | 312 | 6.2% | 1,280 | 7.7% |
| **Total ITOs** | **25,670** | **98,910** | **25,440** | **100,209** | **230** | **0.9%** | **(1,299)** | **-1.3%** |
| Fletcher Building | 142 | 539 | 1 | 14 | 141 | 14480.4% | 525 | 3750.0% |
| Southern Group Training | 43 | 156 | 37 | 131 | 7 | 18.7% | 25 | 19.1% |
| St John NZ | 267 | 1,132 | 359 | 1,151 | (92) | -25.5% | (19) | -1.7% |
| Vodafone | - | - | 168 | 464 | (168) | -100.0% | (464) | -100.0% |
| **Total DFOs** | **453** | **1,827** | **564** | **1,760** | **(111)** | **-19.7%** | **67** | **3.8%** |
| **Total** | **26,123** | **100,675** | **26,004** | **101,903** | **119** | **0.5%** | **(1,228)** | **-1.2%** |