Tertiary Education Commission
Te Amorangi Mātauranga Matua

Tertiary Education Report: April 2021 Enrolment Update

Date:	23 June 2021	**TEC priority:**	Low
Security level:	In Confidence	**Report no:**	B-21-00300
		Minister's office No:	

Action Sought

	Action sought	Deadline
Hon Chris Hipkins Minister of Education	**Note** the sector's enrolment data as at April 2021; **Note** the TEC will provide a Fees Free and Targeted Training and Apprenticeship Fund (TTAF) update in a separate briefing; **Note** the TEC will publish enrolment data in July; and **Agree** for this paper to be proactively released in due course.	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	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☐ See Minister's Notes ☐ Withdrawn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 sector's enrolment data as at April 2021;

2. **note** the TEC will provide a Fees Free and Targeted Training and Apprenticeship Fund (TTAF) enrolment update in a separate briefing;

3. **note** the TEC will publish enrolment data in July; and

4. **agree** for this paper to be proactively released in due course.

AGREED / NOT AGREED

Gillian Dudgeon

Deputy Chief Executive, Delivery
Tertiary Education Commission

21 June 2021

Hon Chris Hipkins

Minister of Education

8 / 7 / 2021

Purpose

1. This paper provides an update on enrolment trends as at April 2021 compared to April 2020, and investigates the impact of COVID-19 on enrolment numbers.

2. The paper focuses on enrolments across three funds: Student Achievement Component (SAC), Youth Guarantee (YG), and the Industry Training Fund (ITF) [1].

3. Enrolments are cumulative and build from January to December during the calendar year. The figures used in this briefing include enrolments between January and April 2021[2].

Background: the Government's response to COVID-19

4. In 2020, the TEC provided three key funding initiatives to support the tertiary education sector through COVID-19: the Targeted Training and Apprenticeship Fund (TTAF), the Hardship Fund for Learners (HAFL) and the Technology Access Fund for Learners (TAFL).

    a. In July 2020, the TTAF was introduced to cover fees for learners in all apprenticeships and a range of sub-degree level programmes. It targets industry areas that are expected to grow, or where more skills are needed, as New Zealand recovers from the social and economic impacts of COVID-19.

    b. The HAFL, established May 2020, allocated $19.5 million to 120 tertiary education organisations (TEOs) to provide financial assistance to learners facing hardship due to COVID-19. This fund has been extended into 2021, and now includes technology-related costs.

    c. Also established May 2020, the TAFL allocated $12.6 million to TEOs to provide devices and internet connections to learners unable to access online learning.

5. The industry training sub-sector was further supported by the Apprenticeship Boost initiative (ABI), a multi-agency COVID-19 response initiative introduced in August 2020. Under ABI, employers are paid to retain and take on new apprentices, enabling apprentices to train and earn while the sub-sector recovers from the economic impacts of COVID-19.

6. As part of the COVID-19 response, the Government made a decision not to recover funding from TEOs due to lower enrolment numbers in 2020. TEOs were therefore able to keep over $176 million which would normally have been recovered. See appendix 1 for a full breakdown.

7. It should be noted that as at April 2020, it was too early to see the impact of COVID-19 on enrolment numbers. The August 2020 and December 2020 enrolment updates, however, showed COVID-19 impacts on the wānanga sub-sector, with fewer enrolments compared to previous years (see B-20-00674 and B-21-00132 respectively).

8. In April 2021, there has been a record increase in enrolments across all sub-sectors, partly due to the Governments' COVID-19 response initiatives outlined above. Additionally, international travel restrictions and uncertainty during COVID-19 led to a record fall in outward migration from April 2020[3]. Some people who may have otherwise travelled or migrated overseas have instead enrolled in tertiary study.

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[1] Data extracted as at 19 May 2021 from the April Single Data Return (SDR) and for the period ending 30 April 2021 from the Industry Training Register (ITR). Please note data is subject to change.

[2] For ITR reporting, this includes learners who were eligible for funding between January and April 2021.

[3] Source: Stats NZ (2021, June 15) *International migration: April 2021 – Infoshare tables.* https://www.stats.govt.nz/information-releases/international-migration-april-2021-infoshare-tables

The number of learners enrolled has increased significantly

9. In April 2021, overall provider-based learner enrolments increased by 11.8% (31,640) to a total of 298,670 learners compared to April 2020. This was a significant turnaround from previous April periods, which showed enrolment numbers gradually declining for the last several years.

    a. SAC level 3 and above showed the largest enrolment increase, up 30,760 learners (12.2%) from the previous year, and

    b. Foundation level enrolments (SAC levels 1 and 2 and Youth Guarantee), which had been declining in previous April periods, saw a combined increase of 975 learners (5.6%)[4,5] in April 2021. Specifically, SAC levels 1 and 2 increased by 1,085 learners (8.3%), while YG saw a smaller decline compared to previous years, down 110 learners (-2.5%) from April 2020.

10. In April 2021, the number of learners in industry training was up 10,610 learners (12.7%) compared to April 2020. This was a marked shift from previous years, and follows the introduction of the TTAF in July 2020, and the ABI in August 2020.

11. Table 1 shows the number of learners and EFTS/STMs across the SAC, YG and ITF funds. It shows the change between April 2020 and April 2021 for each fund.

Table 1: April 2021 enrolment numbers and changes from April 2020[4]

	April 2021		Change in Learners from April 2020		Change in EFTS/STMs from April 2020	
Fund	**Learners**	**EFTS/STMs**	**Number**	**Percentage**	**Number**	**Percentage**
SAC level 3 and above	282,140	186,675	30,760	12.2%	18,160	10.8%
SAC levels 1 and 2	14,165	7,585	1,085	8.3%	820	12.1%
Youth Guarantee	4,275	2,340	-110	-2.5%	-95	-3.9%
Total provider-based learners[5]	**298,670**	**196,600**	**31,640**	**11.8%**	**18,885**	**10.6%**
Industry Training Fund	94,030	16,065	10,610	12.7%	1,985	14.1%

SAC level 3 and above enrolments increase across all sub-sectors and study levels

12. As at April 2021, the number of learners enrolled in SAC level 3 and above increased by 12.2% (30,760) across all sub-sectors and levels of study.

13. The Te Pūkenga sub-sector, which had seen falling enrolments from April 2018 to April 2020, showed the largest increase in enrolments in April 2021, up 15,010 (22.1%) to a total of 82,845 learners. Nearly all of the change in Te Pūkenga enrolments was at sub-degree level, with level 3 enrolments increasing by 5,465 (35.8%) and level 4-7 (non-degree) enrolments increasing by 9,485 (29.7%) from April 2020.

    a. Of the Te Pūkenga subsidiaries, Open Polytechnic of New Zealand Limited was the lead contributor to the increase, up 5,125 learners (31.4%) from April 2020. Open Polytechnic already offered online courses before COVID-19, and therefore did not need to adapt its course content as the sub-sector shifted to online delivery.

[4] All values in this briefing have been rounded to the nearest 5. Due to rounding, underlying values may not add up exactly to the total values.

[5] Learners can be enrolled in more than one Fund. The provider-based learner and foundation level enrolment totals provide a count of unique learners enrolled across the SAC and YG funds.

14. The university sub-sector showed the second largest increase in enrolments, up 12,515 (9.1%) to a total of 149,720 learners from April 2020. This was in contrast to previous April periods, when enrolment numbers had held relatively steady at approximately 138,000 learners from 2016 to 2020. The overall increase was led by rises in level 7 degree qualification enrolments (up 7,445, 8.2%) and level 8-10 qualifications (up 5,180, 12.9%).

15. The PTE sub-sector also showed a large increase in enrolments compared to previous April periods, with an increase of 3,760 (13.7%), to a total of 31,235 learners in April 2021. Most of the rise in enrolments was at sub-degree level (92.3%), with enrolments in level 3 qualifications increasing by 1,880 (30.9%) and enrolments in qualifications at levels 4-7 (non-degree) increasing by 1,590 (9.6%). There were increases in all subject areas except Management and Commerce.

16. The wānanga sub-sector had a small enrolment increase of 395 (1.8%) to a total of 22,695 learners. This contrasts with enrolment trends from August 2019 to August 2020, when wānanga enrolments decreased by 2,915 learners (-10.4%) due to the financial and social impacts of COVID-19 [B-21-00132 refers].

Table 2: April 2021 enrolment numbers by sub-sector and changes from April 2020 (SAC levels 3 and above)[6]

	Number of Learners		Change in Learners from April 2020	
Sub-sector	**April 2020**	**April 2021**	**Number**	**Percentage**
Te Pūkenga	67,835	82,845	15,010	22.1%
University	137,205	149,720	12,515	9.1%
Private Training Establishment	27,475	31,235	3,760	13.7%
Wānanga	22,300	22,695	395	1.8%
Provider Total	**251,380**	**282,140**	**30,760**	**12.2%**

More learners are enrolled in Architecture and Building, Agriculture, and Engineering

17. All 12 subject areas showed increased enrolments, particularly in Government priority areas. The largest shifts in enrolments were in: Architecture and Building, which increased by 4,490 (43.9%) to a total of 14,725 learners; Agriculture, which increased by 3,385 (50.9%) to a total of 10,030 learners; and Engineering which increased by 3,525 (20.3%) to a total of 20,900 learners.

Learner ethnicity and gender demographics for enrolments remain unchanged

18. The demographics of learners enrolled in SAC level 3 and above were largely unchanged from April 2020.

19. Learners identifying as European represented 63.4% of learners, followed by Māori at 18.7%, Asian at 18.2%, and Pacific Peoples at 9.5%.

20. Female learners have continued to represent the majority of learners, at 61.8%, followed by male learners at 37.9% and gender diverse at 0.3%.

Enrolments for learners aged 25 and over outpace learners aged under 25

21. In April 2021, there was a shift in age demographics as enrolments by learners aged 25 and over increased. Although most learners were aged under 25 years-old in April 2021 (51.0% of all learners), learners aged 25 and over showed a large increase of 20,300 (17.2%) from April

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[6] Learners can be double counted when they are studying at more than one TEO and/or in more than one qualification. The totals in the tables and graphs remove double counted learners. Therefore, the sum of learner numbers by sub-category may not equal the totals.

2020. In contrast, enrolments for learners aged under 25 years-old only increased by 10,460 (7.8%).

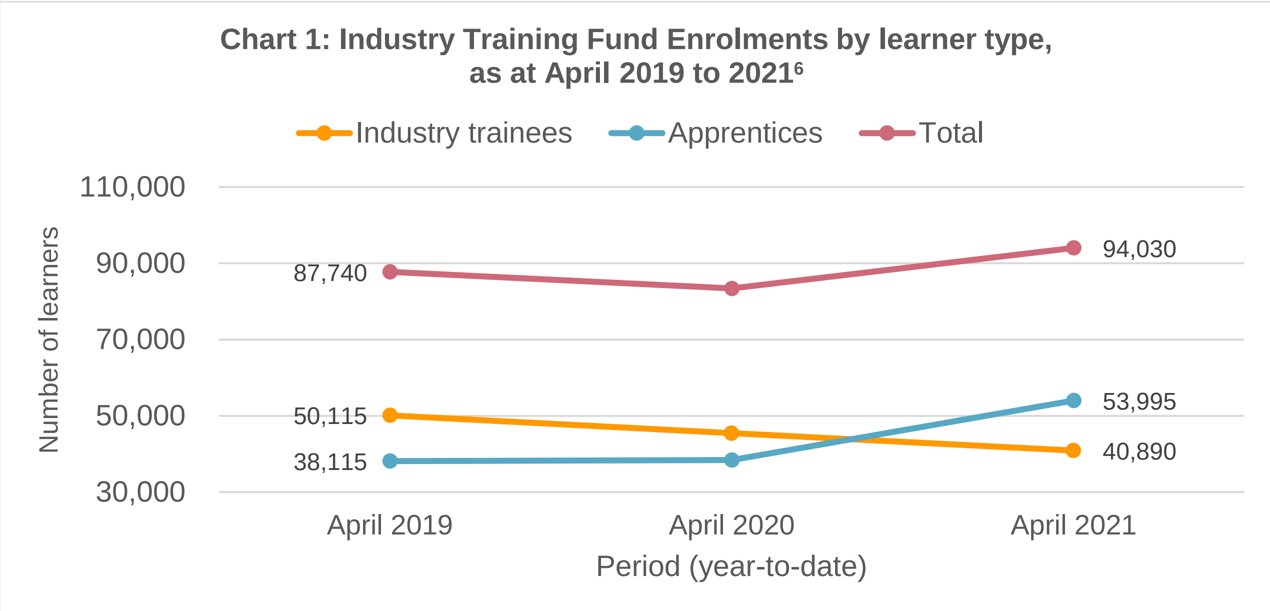
Foundation level enrolments increase following years of decline

22. In April 2021, learners enrolled in foundation learning (SAC levels 1 and 2 and Youth Guarantee) increased by 975 (5.6%). This was in contrast to previous April periods, where foundation enrolments had decreased by approximately 1,100 each year since April 2018.

23. Female learners contributed most to the increase in enrolments, up 1,115 (10.2%) to a total of 12,035. Male enrolments decreased by 155 learners (-2.4%), to a total of 6,340. Ethnicity demographics were unchanged, with learners identifying as European representing 43.3% of foundation learners, followed by Māori at 38.1%, Pacific Peoples at 8.0% and Asian at 7.0%.

24. Learners aged 25 and over increased the most by 1,050 (9.8%) to a total of 11,775, while learners aged under 25 years-old decreased by 70 learners (-1.0%) to 6,635 in April 2021.

There has been a large boost in apprentice numbers



25. In April 2021 the industry training sector experienced an overall increase in enrolments, up 10,610 (12.7%) to 94,030 learners from April 2020. This shift followed the introduction of two COVID-19 response initiatives:

    a. TTAF, which supports learners to undertake vocational education without fees. TTAF covers fees for learners from 1 July 2020 to 31 December 2022 for all apprenticeships and a range of training programmes at sub-degree level; and

    b. ABI, which pays employers to retain and take on apprentices as the economy recovers from the impacts of COVID-19. The ABI is available to employers from August 2020 to August 2022. During the COVID-19 restrictions period, other initiatives offered wage subsidies, such as Mana in Mahi, and the COVID-19 Wage Subsidy.

26. Before TTAF and ABI, overall industry training numbers had fallen. Due to COVID-19 restrictions from March to May 2020, apprenticeship enrolments decreased in the second quarter of 2020 compared to the same period in 2019. Following TTAF, ABI, and other wage

subsidy supports, the fall in apprenticeship enrolments had reversed by August 2020, when learner numbers increased by 2,910 (6.6%) from August 2019.

27. As at April 2021, the number of apprentices significantly increased from April 2020, up 15,600 (40.6%) to a total of 53,995. This reflects the strong labour market, a range of wage subsidy supports including ABI, and free apprenticeship training through TTAF.

28. Trainees have decreased by 4,550 (-10.0%) to a total of 40,890 learners. The fall in trainee numbers, however, has been more than offset by the boost in apprenticeship learners.

Demographics of apprentices are changing: there is more representation of females, Māori, and older learners

29. Although males continue to represent the majority of apprentices, the proportion of female apprentices has increased to 13.6% in April 2021, up 2.1 percentage points from 11.5% reported in April 2020. April 2021 also saw a shift in ethnicity demographics, with learners identifying as European down 2.8 percentage points from the previous year, while learners identifying as Māori increased by 1.6 percentage points. Overall, most learners identified as European (65.8%), followed by Māori (18.5%), Asian (7.8%) and Pacific Peoples (7.4%).

30. The age demographics of apprenticeship enrolments have also shifted, with learners aged 25 and over increasing at a higher rate than learners aged under 25. Learners aged over 25 increased by 9,545 (49.5%) while learners aged under 25 increased by 6,050 (31.7%).

Table 4: April 2021 Industry Training enrolment numbers and changes from April 2020

	April 2021	April 2021	Change in Learners from April 2020		Change in STMs from April 2020	
Learner type	**Learners**	**STMs**	**Number**	**Percentage**	**Number**	**Percentage**
Industry trainees	40,890	6,490	-4,550	-10.0%	-525	-7.5%
Apprentices	53,995	9,575	15,600	40.6%	2,505	35.4%
Total	**94,030**	**16,065**	**10,610**	**12.7%**	**1,985**	**14.1%**

Data caveats

31. The SDR data in this briefing is for enrolment reporting purposes and includes all funding related to SAC and YG[7].

32. Enrolment figures in this briefing will differ to enrolment figures published on the TEC and MoE websites based on the approaches used to extract the data.

33. Enrolments at Transitional ITOs can occur throughout the year. Enrolment levels are subject to change.

We will update you following the August 2021 SDR and ITR

34. We will provide you with an enrolment update covering SAC, YG, and the ITF following the completion of the August 2021 SDR.

35. We will update you on Fees Free and TTAF enrolments as at April 2021 in a separate briefing when data is finalised.

[7] Includes SAC levels 1 and 2 (which contains aggregate data for the following funds: SAC levels 1 and 2 Plan Process funding and Māori Pasifika Trade Training levels 1 and 2) and SAC level 3 and above (which contains aggregate data for the following funds: SAC level 3 and above, Māori and Pasifika Trades Training levels 3 and 4, and ICT Graduate Schools).

Appendix 1

Appendix table 1: Non-recovered funding in 2020

Appropriation	**Amount ($ million)**
1. Access to Tertiary Education	**2**
2. Secondary-Tertiary Interface	**3**
3. Tertiary Sector Industry / Collaboration Projects	**3**
4. Tertiary Tuition and Training (MCA)	**168**
a. Tertiary Education: Student Achievement Component	***91***
i) Te Pūkenga	*29*
ii) University	*5*
iii) Wānanga	*31*
iv) Private Training Establishment	*26*
b. Community Education	***17***
c. Training for Designated Groups	***36***
d. Fees-free Payments	***24***
Total non-recovered funding	**176**