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Education New Zealand Briefing

Title:	Updated economic value of international education to New Zealand 2018		
Date:	4 October 2018	Priority:	Medium
Security level:	Unclassified	ENZ ID no:	1819-073

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 Office of Hon H. J.

Action sought

Addressee:	Action sought:	Deadline:
Minister of Education	Note that you were previously provided with the economic valuation of international education to New Zealand.	
	Note that the number of jobs supported by international education in New Zealand has been revised to 47,490 jobs.	
	Note that the average economic contribution per student has been revised from \$41,470 to \$39,920.	
	Note that the 12 regional infographics show the economic value of international education to each region.	
	Note that a draft media release and communications plan have been provided to your office separately.	
	Agree that proactive publication of this briefing is deferred until after you announce value of international education to New Zealand.	
Associate Minister of Education	Note the contents of this briefing	

Proactively released

Contact for telephone discussion (if required)

Name:	Position:	Telephone:	Cell phone:	1 st contact
John Goulter	General Manager Stakeholders and Communications	[Redacted]	[Redacted]	
		<i>Withheld under s9(2)(a)</i>		
Andrew McPhee	Intelligence Manager	[Redacted]		x

The following departments/agencies have seen this report

<input type="checkbox"/> ERO	<input type="checkbox"/> MBIE	<input type="checkbox"/> MFaT	<input type="checkbox"/> MoE	<input type="checkbox"/> MoH	<input type="checkbox"/> MSD
<input type="checkbox"/> NZQA	<input type="checkbox"/> NZTE	<input type="checkbox"/> TEC	<input type="checkbox"/> TPK	<input type="checkbox"/> Treasury	<input type="checkbox"/>

Minister's office to complete

- | | | | |
|-----------------------------------|--|---|---------------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined | <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by events | <input type="checkbox"/> See Minister's notes | <input type="checkbox"/> Withdrawn |

Comments:

Proactively released

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Recommendations

Education New Zealand recommends that you

- a. **note** that you were previously provided with the economic valuation of international education to New Zealand
 - b. **note** that the number of jobs supported by international students in New Zealand has been revised from 48,530 to 47,490
 - c. **note** that the average economic contribution per student has been revised from \$41,470 to \$39,920
 - d. **note** that the 12 regional infographics show the economic value of international education to each region
 - e. **note** that a draft media release and communications plan have been provided to your office separately
- Noted**
- f. **agree** that proactive publication of this briefing is deferred until after you announce results of the valuation

Agree / Disagree

John Goulter
General Manager
Stakeholders and Communications
Education New Zealand



Hon Chris Hipkins
Minister of Education

12/10/18

Purpose

1. The purpose of this briefing is to:
 - Market Economic Consulting has revised the number of jobs supported by international education in New Zealand and the average economic contribution per student
 - provide you with 12 regional infographics that highlight the value of international education for each New Zealand region.

Background

2. International education provides economic, social and cultural benefits to New Zealand. To measure the economic benefits, Education New Zealand (ENZ) has undertaken its biennial valuation on the New Zealand international education sector.
3. On 30 August 2018 ENZ provided you with two reports that measured the economic valuation of international education to New Zealand (ENZ 1819 043 refers). The two reports are:
 - *Economic Valuation of International Education in New Zealand 2018* report by the Market Economics Consulting (M.E Consulting) that assessed the economic value of international students who are studying in New Zealand
 - *The Value of New Zealand's Education Exports 2018* report by PriceWaterhouseCoopers Consulting that assessed the economic value of New Zealand's education exports and services delivered offshore.
4. The research found that New Zealand's international education sector is valued at \$5.1 billion. This is made up of \$4.8 billion from international students¹ in New Zealand and \$0.3 billion from education exports.

Updated number of jobs supported by international education

5. Since providing you with the *Economic Valuation of International Education in New Zealand 2018* report, M.E Consulting undertook a final review of their research. They identified a transposition error was made in calculating the number of jobs reported for the West Coast. They confirmed that the error did not affect the economic value of the international education in New Zealand.
6. As a result, the number of jobs supported by international students in New Zealand has been revised from 48,530 to 47,490.²
7. The attached report and overall infographic have been updated to reflect the revised number of jobs supported.

The report and infographic are withheld under s18(d)

¹ While NZ Aid students would normally be expected to be included in measuring the value of international education to New Zealand as their primary reason for coming is to study, they are excluded from this research as their tuition and living costs are paid by the New Zealand government.

² A further 2,141 jobs (973 in New Zealand and 1,168 offshore) are associated with education exports.

Updated average economic contribution per student

8. In finalising the report, it was also identified that the average economic contribution per student had used only full-fee paying students. It should have used all international students in New Zealand (excluding NZ Aid students), which includes full-fee-paying students, PhD students, exchange students and foreign research-based post-graduate students.
9. As a result, the average economic contribution per student has been revised from \$41,470 to \$39,920.
10. The attached report has been updated to reflect the correct average economic contribution per student.

Regional infographics of the value of international education in New Zealand

11. International education has a positive impact on New Zealand's regional economies. ENZ works with international education providers, local government and regional economic development agencies, and communities to encourage regional growth in international education. In 2017/18 ENZ worked with 15 regions to develop or implement their regional international education strategies.
12. When ENZ commissioned M.E Consulting to undertake research into the economic value of international students in New Zealand, we specified that they needed to assess the impact on New Zealand's regions. The results are reported on pages 26-28 of the research report.³
13. ENZ has developed separate infographics for 12 regions to show the economic value of international students studying in New Zealand to those regions. Infographics have been developed for:
 - Auckland
 - Bay of Plenty
 - Canterbury
 - Hawke's Bay
 - Nelson-Tasman-Marlborough
 - Northland
 - Manawatu-Whanganui
 - Otago
 - Southland
 - Taranaki
 - Waikato
 - Wellington

The infographics have been withheld under s18(d)

³ The regional breakdown uses the regions specified in international student enrolment numbers collected by the Ministry of Education.

14. Three of the infographics (Bay of Plenty, Manawatu-Whanganui and Otago) also contain infographics on the two cities/districts within those regions due international students being spread across more than one city/district within that region.
15. ENZ plans to use these infographics to support our work telling the international education story in those regions. We will use the release of the regional infographics to encourage regional media and economic development agencies to talk about the social, cultural and economic benefits of international education for their region.

Next steps

16. ENZ has provided your office with a draft media release and communication plans, with the aim of you announcing the results of the valuation in mid-October 2018.

Proactive release

17. ENZ intends to defer the release of this briefing until after you have announced the results of the valuation.

Proactively released