



**Te Kāwanatanga o Aotearoa**  
New Zealand Government

# Tertiary Education Strategy

**2025-2030**

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# Ministers' foreword

Tertiary education plays a vital role in shaping New Zealand's future. A strong tertiary system is essential to an innovative, prosperous, and educated country. Our tertiary education system is performing well in many areas but needs to be more focussed on contributing to economic growth, productivity and innovation.

Our Government's new Tertiary Education Strategy provides a system that enables people to succeed with knowledge and skills that advance an innovative, high-productivity economy and improves quality of life.

Our tertiary education system serves us well, but we are entering a period of increasing change. Under the previous Tertiary Education Strategy, the system was functioning, but it was not thriving. The context has shifted, and new challenges demand a new approach. We need a system that is responsive, forward-looking, and aligned with the needs of students, employers, and communities.

Universities and other higher education providers matter enormously to New Zealand. They educate the next generation of leaders, they advance the frontiers of knowledge, and they play an important role in powering our economy.

New Zealand also depends on a vocational education system that delivers real skills, real opportunities, and real outcomes for learners, employers, and communities. Vocational education is central to building a productive, inclusive economy that is ready for the changes coming in the future.

This strategy will provide clear direction to our tertiary education system, ensuring that it delivers for students, for industry, and for New Zealand's future. It is one of several steps we are taking to simplify systems and sharpen the focus on what matters most.

This is a time of challenge, but also of extraordinary opportunity. Thank you for your commitment to this important work.

**Hon Dr Shane Reti**

Minister for  
Universities



**Hon Penny Simmonds**

Minister for  
Vocational Education



# Introduction

**The Tertiary Education Strategy (TES) sets out the Government's long-term strategic direction for tertiary education in New Zealand and its current and medium-term priorities. The TES is issued under section 7 of the Education and Training Act 2020.**

The Government's investment in tertiary education and the work of its tertiary education agencies will focus on these priorities. The Tertiary Education Commission (TEC) will give effect to the TES as it assesses tertiary education organisations' plans, allocates public funding, and monitors performance. Tertiary education organisations seeking TEC funding must set out in their plans how they will give effect to the strategy.

The development of the TES has been informed by targeted consultation with a range of organisations and groups directly affected by the strategy, including tertiary education providers, industry bodies, and student representatives. This consultation helped shape the priorities and direction of the TES.

# Strategic Direction

## Objective

### **The Government's overarching objective for tertiary education is:**

A tertiary education system that enables people to succeed with knowledge and skills that advance an innovative, high-productivity economy, and improve quality of life.

This objective reflects the Government's commitment to empowering New Zealanders to thrive in a fast-changing, competitive world, through a tertiary education system that also contributes to broader national goals.

This Strategy's focus on economic growth is intentional and unapologetic. To raise incomes, improve jobs, and enhance quality of life, we must address New Zealand's long-standing productivity and innovation challenges. A stronger, more productive economy provides the foundation for investing in housing, infrastructure, health, climate adaptation, and other critical services.

To drive productivity growth, innovation and economic success, tertiary education must work effectively as part of New Zealand's broader skills system and our science, innovation and technology system.

A skilled and adaptable workforce is essential to attract investment, lift productivity, and enable New Zealand businesses to compete and grow globally. To support this, tertiary education needs to be closely connected to employers and industry, delivering relevant knowledge and skills through flexible learning options at all career stages. It must offer opportunities at every level, from foundation literacy and numeracy to advanced research-led teaching, with formal education (whether on campus, online, or in the workplace) that complements practical and informal learning throughout life.

Economic growth requires a broad range of skills: to create and diffuse modern technologies across the economy, to design and commercialise new products and services, and to develop and grow new markets. This depends on specialised technical knowledge, innovation, and creativity to develop new ideas, technologies, and processes. It also requires management skills and entrepreneurship, and broad workforce capabilities to adopt and apply technologies that add value across the economy. Our poor record in productivity and value-add suggests that there are particular gaps in market-driven entrepreneurial skills.

New Zealand's research-focused tertiary institutions also play a vital role in driving economic growth. Their research advances knowledge, supports innovation, and creates commercial opportunities. It helps translate ideas into high-value products,

services, and technologies, and contributes to evidence-informed policy and community development. By building research capability and strengthening connections with industry, iwi, and international research networks, tertiary research boosts New Zealand's global competitiveness and resilience.

Focusing more sharply on skills and knowledge for economic growth should not come at the expense of the tertiary education system delivering on its broader purposes. The attributes we need in skilled, productive, and innovative people are the same attributes we seek in confident, creative, culturally enriched citizens. Success in tertiary education contributes to improved health, social cohesion and intergenerational prosperity.

This economic focus will also support the Government's wider social and environmental goals. A strong, productive and innovative economy creates more secure well-paid jobs, giving families greater financial security and independence to live good lives. It enables public investment in better infrastructure, health, education and social services. It provides the resources and new ideas we need to minimise and adapt to the impacts of climate change, and to protect New Zealand's unique environment and biodiversity.

The tertiary education system must help support Māori, Pacific peoples, disabled people, and students and trainees from other under-served communities to realise their aspirations. Improving outcomes for these groups is essential to fully unlock New Zealand's potential and ensure all people can contribute to and benefit from the country's success. Empowering Māori to achieve their aspirations requires the system to respond to the needs of the growing Māori economy and support Māori participation and achievement. Wānanga contribute to this by providing education and research grounded in te reo Māori, mātauranga Māori and tikanga Māori.

## Why change is needed

New Zealand's tertiary education system has served us well in many respects. It has provided a foundation for a skilled and adaptable workforce, contributed to social mobility, and supported world-class research that benefits our communities and economy. However, there are longstanding questions about whether the system is fully delivering the skills and capabilities New Zealand needs for the future.

While participation and attainment in tertiary education are broadly in line with OECD averages, performance is uneven across key measures. Participation has declined for some groups, particularly school leavers and those in work-based training. Qualification completion rates remain low compared to high-performing international systems. Graduates' outcomes also vary, with some qualifications offering limited labour market value or career progression opportunities.

The system does not consistently support the aspirations and success of Māori, Pacific peoples, disabled people, and those from low-income backgrounds. The system must also respond to the complex needs of school leavers with low prior attainment, particularly where their learning was disrupted by the Covid-19 pandemic.

New Zealand also has not yet taken full advantage of the potential that tertiary education offers for regional development. When our system genuinely responds to the needs of local businesses, industries, and communities, it builds economic performance in these areas and addresses persistent social disadvantage. This enables rural and regional New Zealand to thrive.

New Zealand's higher education institutions produce high-quality research in many areas but lag leading international comparators in research commercialisation, industry collaboration, and overall research and development (R&D) intensity. These gaps limit the system's contribution to productivity growth and constrain its potential to address national challenges.

In addition, the system faces pressing challenges that it must respond to if it is to support economic growth and broader national goals:

- › **Technological change** is continuing to transform the economy and society. Rapid advances in digital tools and artificial intelligence are reshaping how people work, live and learn. These changes present challenges but also open new opportunities for innovation, including in how education and research are delivered and applied. They also increase demand for digital and data skills across the workforce, and courses and qualifications need to appropriately reflect modern work practices and lifestyles.
- › **Student expectations and career patterns** are evolving. Students' expectations for how and what they learn are being shaped by their experiences with technology in their daily lives. They will need to build resilience, adaptability, and an ability to continually upskill throughout their careers as economic and technological trends disrupt and displace established occupations and industries while creating new ones. With traditional pathways increasingly giving way to varied learning and work journeys, there is growing demand for flexible retraining, professional development, and lifelong learning options.
- › **Fiscal constraints** require a sharper focus. In a tight fiscal environment, the Government and providers must make difficult trade-offs and carefully prioritise expenditure to maximise the value of public investment. This includes ensuring that tertiary education providers efficiently deliver meaningful outcomes for students and trainees, communities and the economy, and maximise the value of international education.
- › **Global trends and pressures** will continue to influence tertiary education. International competition for skilled workers, students and researchers is likely to intensify, bringing both risks and opportunities for retaining and attracting talent. Tertiary education providers will need to remain globally connected and responsive to international developments, while also building resilience to external shocks.
- › **Demographic change** is reshaping the workforce. Labour force growth is slowing, and our population is ageing and becoming more diverse. Māori, Pacific and Asian people will make up an increasing share of the workforce. The system will need to lift achievement for all groups, particularly for those under-served by the education system, and support higher overall skill levels to sustain productivity growth and support equitable participation in economic and social life.



Teaching and research across the tertiary education system must equip New Zealanders to navigate and shape these complex changes. Providers will need to evolve their practices to meet changing learner needs, respond to shifting labour market and community demands, and align with national research and innovation priorities. Education and research must not only adapt to new ways of working and learning but also help lead these shifts – ensuring the tertiary system remains a driver of opportunity, resilience, and progress. This will require strong and strategic institutional governance throughout the system.

## Priorities for this Tertiary Education Strategy

The Government's current and medium-term priorities for the tertiary education system respond to these challenges and focus clearly and directly on driving economic growth through innovation and increased productivity, to increase New Zealanders' incomes, opportunities and wellbeing.

### **This Strategy sets out the Government's specific priorities for improvement in five areas:**

- › **Achievement**
- › **Economic Impact and Innovation**
- › **Access and Participation**
- › **Integration and Collaboration**
- › **International Education.**

Through these priorities, the TES will focus effort and investment across the tertiary education system, while ensuring that the system continues to deliver on its broad social, cultural, and economic objectives.


Each priority includes examples of the kinds of activity that will contribute to its delivery. These are not an exhaustive list that must be immediately implemented by the TEC and tertiary education organisations. Different providers, subsectors, and agencies will contribute to achieving the Strategy's priorities in different ways and to varying degrees over the term of the TES, shaped by their own strategies, regional roles, stakeholder needs, strengths, and areas of impact.

PLAN ON A PAGE: TERTIARY EDUCATION STRATEGY

OBJECTIVE STATEMENT


A tertiary education system that enables people to succeed with knowledge and skills that advance an innovative, high-productivity economy, and improve quality of life.

OUR PRIORITIES




**Achievement**

Ensure students and trainees gain skills that lead to good careers and economic security, with a focus on strong pathways between school, tertiary education, and work.




**Economic Impact and Innovation**

Increase the economic impact of tertiary education by delivering relevant, adaptable skills, and research that drives productivity, innovation, commercialisation and broader economic opportunities.




**Access and Participation**

Enable access to education and training for people from all backgrounds and regions, ensuring more people build relevant skills throughout their lives that contribute to a productive economy.



**Integration and Collaboration**

Deepen collaboration between education providers, employers, iwi, research institutions, and communities to align education with regional and national economic development.



**International Education**

Boost numbers of international students, supporting the sector to grow and increasing New Zealand’s international connectivity, as set out in the International Education Going for Growth Plan.

DELIVERING OUR PRIORITIES

The strategy will drive better outcomes for New Zealanders under these priorities through...

Tertiary education providers improving the quality, focus and responsiveness of teaching and research across the tertiary education system to deliver better outcomes for students and trainees, New Zealand businesses and communities.


TEC investment decisions

Government’s budget priorities for tertiary education


Improving policy and regulatory settings

Measuring results and strengthening accountability


MEASURING SUCCESS




Increasing completion rates




Skills and research relevance



Broadening participation



Stronger system connectivity



Higher international education value

# Priority 1: Achievement



**Ensure students and trainees gain skills that lead to good careers and economic security, with a focus on strong pathways between school, tertiary education, and work.**

Achievement in tertiary education is critical to delivering benefits for students and trainees, the economy, and society. While enrolment is the first step, it is successful completion – and the acquisition of meaningful skills and credentials – that leads to better life and career outcomes. Qualification completion is strongly associated with improved employment prospects, higher earnings, and reduced vulnerability to economic shocks.

However, New Zealand's tertiary system faces persistent challenges in achievement. Completion rates remain uneven across providers and population groups. Māori, Pacific peoples, and disabled students and trainees are less likely to complete their qualifications and more likely to leave tertiary education early. This reflects both structural barriers and inconsistent access to the support students and trainees need to succeed.

Improving achievement rates is therefore both an economic and social imperative. It also requires a more nuanced understanding of success. Completion metrics alone can mask progress made by students and trainees from disadvantaged backgrounds. Measuring how far a learner progresses from their starting point can provide a fairer and more informative view of provider performance. This will help ensure the system supports all students and trainees to succeed, particularly those facing the greatest challenges.

## Changes expected over the next 5 years

The Government expects tertiary education providers to continue improving completion rates, particularly for under-served groups, by building on current approaches to improving learner success. This will take time to achieve for higher-level qualifications. Improving first-year retention for those in multi-year qualifications will be an important first step.

Providers' performance in improving educational achievement should be assessed with a greater focus on "distance travelled" or "value added". Students' and trainees' prior educational achievement, socioeconomic circumstances and other characteristics are major factors influencing people's education prospects and the level of personal effort and provider support needed to achieve educational success.

The Government expects to see stronger alignment between tertiary education achievement and employment outcomes at all levels of study. Providers will be expected to ensure that courses and qualifications lead to real career opportunities by embedding labour market relevance into programme design and delivery, tracking employment outcomes of graduates, and strengthening connections with employers and industry. This approach will support work-integrated learning and transitions into sustainable employment.

Changes to vocational education and training will enable more providers to move into work-based learning and develop new apprenticeship and traineeship programmes. Students and trainees will be able to move more seamlessly between provider-based and work-based learning.

## Examples of contributing activities

- › Providers will demonstrate evidence-based approaches to learner success that are appropriate to their learner cohorts and educational setting, including by identifying and addressing risks and barriers to retention, achievement, completion, and employment.
- › Reduce disparities in achievement between population groups (including gender, ethnic, disability and socioeconomic), including in fields of study and industries/occupations that have large disparities in achievement but have strong income and employment outcomes.
- › Improve retention rates for under-served groups, particularly at universities and other higher education providers.
- › Continued implementation of providers' Disability Action Plans.
- › Strengthen provision that meets the needs and aspirations of Māori, including kaupapa Māori provision and provision in te reo Māori, where relevant.
- › Strengthen foundation education programmes centred on enabling ongoing employment/workforce attachment and work experience for youth at risk of long-term poor employment outcomes.
- › Develop and apply “distance travelled” and employment outcome measures as part of assessing providers' performance and to improve information for prospective students and trainees.

# Priority 2: Economic Impact and Innovation



**Increase the economic impact of tertiary education by delivering relevant, adaptable skills, and research that drives productivity, innovation, commercialisation and broader economic opportunities.**

Tertiary education has a vital role in supporting New Zealand's economic transformation by improving productivity, building the workforce of the future, and driving innovation. As the economy evolves – shaped by technological disruption, global competition, and demographic change – the system must do more to prepare people for a rapidly changing world of work. This includes a broader range of work arrangements, including self-employment and portfolio careers, and non-traditional career pathways.

Employers consistently report concerns that graduates from provider-based programmes lack the skills and capabilities new recruits need to be job-ready and productive. While employers will always need to support new recruits as they gain work experience, tertiary education providers must strive to ensure their graduates are job-ready with the right mix of technical and transferable skills such as communication, critical thinking, and adaptability. This 'skills mismatch' affects productivity and constrains economic growth.

Research impact is crucial for translating academic knowledge into practical solutions that address real-world challenges. New Zealand's research and innovation performance lags comparable countries, with low levels of research commercialisation and limited business uptake of new knowledge and technology.

## Changes expected over the next 5 years

The Government expects a stronger emphasis on the economic relevance and impact of tertiary education, with greater employer, industry, and iwi input into programme design and delivery – particularly for vocational and career-focused learning. Provision must be more responsive to emerging skills needs, especially in high-growth industries, new technologies, and the expanding Māori economy.

To achieve this, the tertiary system must become more responsive to labour market signals and better integrated with the broader innovation and skills ecosystems. Programmes must prepare people to upskill and adapt throughout their careers. The new Industry Skills Boards being established in 2026 will be a key part of this. They will ensure industries have a voice in the qualifications and programmes that vocational providers deliver and advise on where investment in the system should be directed.

The skills and knowledge students gain must be valued by employers or enable self-employment, and then further developed in the workplace. Success in the labour market requires a broad range of knowledge and skills, not limited to narrow technical skills or job-specific education and training. An advanced modern economy requires an adaptable, creative workforce with critical thinking, communication, teamwork, and problem-solving skills. The value of these capabilities extends beyond the workplace, preparing people to navigate complex professional environments, contribute meaningfully to society, and adapt to rapidly changing technological and economic landscapes.

Foundation education providers should consider local industry needs to connect students and trainees with employment opportunities. The system must also develop stronger feedback loops with employers and industry, enabling providers to adapt quickly to changing workforce demands.

We expect to see work-based learning expand, with new providers being encouraged to enter the system. The apprenticeships and traineeships they develop should not only ensure workers develop the capabilities businesses need today, but that they are prepared for changing industry environments.

Research needs to deliver greater economic value by focusing more clearly on national priorities, building stronger partnerships with industry, and accelerating the translation of knowledge into practice. This means better identifying commercial opportunities, supporting partnerships with business, and enabling research to generate real-world impact. The economic value of research can also come from reducing the economic and societal burden of adverse events such as natural disasters, climate change, and through improving public goods such as health and education. Reforms to the science and innovation system will reinforce this shift by defining the Government's Science Innovation and Technology priorities, aligning funding, and rewarding commercial outcomes.

Prioritising research commercialisation will help bridge the gap between discovery and application, turning academic insight into technologies and processes that deliver tangible benefits for New Zealand's economy and society. The introduction of a national intellectual property management policy for universities will incentivise commercialisation by prioritising the right of researchers to benefit directly from their intellectual property.

## Examples of contributing activities

- › Educate a flexible workforce, able to adapt to a rapidly changing workplace in which AI, quantum computing, and other technological advances play an increasingly significant role.
- › Promote knowledge transfer to benefit the economy and society, with universities and other research organisations connecting businesses and communities to global advances in knowledge and technology.
- › Universities strengthen their research commercialisation functions, including by adopting a national intellectual property management policy that allows researchers to benefit directly from their intellectual property.
- › Increase universities' focus on user-funded research.
- › Increase opportunities for research staff, students, and end-users to gain experience across the tertiary and science, innovation and technology systems, building broader skills, connections, and career opportunities.
- › Strengthen sector leadership on AI and its impact on tertiary education.
- › Strengthen industry leadership in vocational education and training through Industry Skills Boards that ensure providers deliver the skills businesses and employees need to be productive.
- › Grow opportunities and foster support for disabled students to gain and transition into employment.
- › Secure and maintain linkages and bridges between the tertiary education sector and the Māori economy, including through promoting relevant areas of study and research activity.
- › Increase entrepreneurial education for graduate research students.
- › Focus vocational education and training investment on where it can genuinely address skills supply issues, including through the analysis, planning, and advice functions of Industry Skills Boards.



# Priority 3: Access and Participation



**Enable access to education and training for people from all backgrounds and regions, ensuring more people build relevant skills throughout their lives that contribute to a productive economy.**

Ensuring access and participation in tertiary education is essential to building a more productive, equitable, and inclusive economy. In principle, tertiary education should be available to all who can benefit from it, regardless of background or circumstance. In practice, however, too many New Zealanders face barriers to participation. These include financial, geographic, cultural, and systemic factors that disproportionately affect under-served communities such as Māori, Pacific peoples, disabled people, and those from low-income backgrounds.

Overall tertiary education participation in New Zealand compares favourably to many OECD countries, especially among adults over 25 years. But significant disparities remain. Participation rates among school leavers have declined in recent years and remain significantly lower for young Māori and Pacific people. Barriers to participation in education and training contribute to ongoing disparities in employment outcomes and limit the supply of skilled workers to address persistent skills shortages in some industries. These gaps in participation mean that some New Zealanders are missing out on the opportunity to develop their skills, achieve their aspirations, and contribute fully to the economy and society.

A renewed focus on access and participation is therefore needed to meet emerging workforce needs, improve equity and support people to upskill and retrain throughout their lives. The challenge is not only to widen access, but also to ensure that people can participate in ways that suit their life circumstances and work arrangements – through flexible study options and clear pathways. Stronger regional provision is needed to support many of New Zealand's critical export industries and allow people to access training and work without relocating.

## Changes expected over the next 5 years

Over the next five years, the Government expects to see a greater range of high-quality education and training options that meet the needs of students, trainees and employers. More agile and responsive delivery models will support upskilling and retraining, which are critical for sustaining employment and economic growth. This includes greater availability of shorter, cumulative options for students, with more accessible work-based learning and quality online provision giving students more options for accessing tertiary education.



The time and cost for employers and workers to participate in tertiary education and vocational training should be minimised through programmes that are the right size, delivered flexibly, and that enable people to earn and learn while in formal education and training. This includes ensuring foundation education programmes meet the needs of young people with limited work experience and educational achievement and support adults with low or no qualifications to re-engage with education.

A sustainable network of polytechnics will underpin participation in the regions, supported by a federation structure, so people in the regions can access tertiary education which meets local industry and community skills needs.

As the economy recovers, it is particularly important that the system better enable students to move between provider-based education and work-based learning and training so students can more easily continue their studies as their circumstances change.

Pathways into tertiary education need to be clearer, particularly for vocational education options. Prospective students of all ages need to know how they take the next step to progress their goals and ambitions, and some will need additional support to do this. High-quality information needs to be available to them on career pathways and employment outcomes to support their decisions.

## Examples of contributing activities

- › Rebuild a sustainable network of regional polytechnic provision.
- › Strengthen secondary-tertiary pathways, particularly for vocational education and training, and for young people at risk of being not in education or employment.
- › Improve access throughout the system for under-represented groups, including Māori, Pacific peoples, and disabled people.
- › Partnerships between universities and schools to support successful transitions into higher education.
- › Increase the availability of high-quality online and blended learning options.
- › Make it easier for students and trainees to move between tertiary providers and between work-based and provider-based learning.
- › Ensure policy and operational settings support increased access to micro-credentials and other right-sized, cumulative options.
- › Increase the effectiveness of foundation education, particularly to support ongoing labour market participation for young people with limited work experience and educational achievement.
- › Provide quality information to students on career pathways and employment outcomes, and whether career- and occupation-specific qualifications lead to relevant employment.

# Priority 4: Integration and Collaboration



**Deepen collaboration between education providers, employers, iwi, research institutions, and communities to align education with regional and national economic development.**

The challenges and opportunities facing tertiary education cannot be addressed by providers acting in isolation. Collaboration across the system – and with partners beyond it – is essential to delivering better outcomes for students and trainees, communities, and the economy. Stronger integration enables the system to align more effectively with regional and national development goals, better serve diverse learner needs, and maximise the impact of teaching and research. Partnership between tertiary education providers and hapū and iwi is also critical to support Māori development aspirations and honour te Tiriti o Waitangi.

Innovation, technology and science is a pillar of Going for Growth. Close collaboration in the science, innovation and technology system with both industry, and other research organisations, is vital for growing New Zealand's economy. This is true for all tertiary education providers, but particularly universities and providers of higher education, where industry engagement is weak by international standards. This collaboration should be across both research and research-led teaching activities, which are interdependent. Such activity will lead to beneficial flows of graduates with industry research experience, and the valuable knowledge which they hold, into increasingly productive and competitive enterprises and spinouts.

New Zealand's tertiary education system includes many examples of effective collaboration, but the overall picture is fragmented and uneven. Providers often compete in areas where collaboration would be more efficient and effective. Engagement with employers, iwi, and communities is variable, and there are few mechanisms to ensure sustained, place-based partnerships. In the research system, while there are examples of successful joint ventures, overall rates of business engagement and research commercialisation remain low.

To realise the full value of the system, these partnerships must become more deliberate, structured, and outcome focused. Integration should reflect the unique role of different types of providers – such as the connections of Wānanga with iwi and hapū, or polytechnics' relationships with regional employers. International collaboration is also critical to ensuring that New Zealand's tertiary system remains connected to global knowledge flows, supports Pacific development, and provides students with international opportunities.

## Changes expected over the next 5 years

The Government expects to see much stronger collaboration across the tertiary education system, relevant to the role and context of different types of providers. For foundation education providers, this means closer integration with other education services, employers, and social supports to ensure students access and progress through the system.

In vocational education, providers will need to deepen their partnerships with local communities, iwi and industry to align delivery with regional labour market needs. This will play a key part in the re-establishment of sustainable regional polytechnics and in ensuring education provision is responsive to local skills demands. Connecting with employers is critical for work-based learning, and the providers developing new apprenticeships and traineeships will need to build their relationships and capability to support good on-job education. Industry Skills Boards will improve industry voices in the system.

Stronger alignment between schools and tertiary providers – especially for vocational and foundation education – will be required to support smoother transitions, clearer pathways, and better preparation for work or further study

In higher education, especially universities, integration should improve the educational experience through greater engagement with employers in the design and delivery of learning, including through work-integrated learning and industry-led project work. These partnerships help ensure that graduates are equipped with the skills and experience required in modern workplaces.

Collaboration should also strengthen research impact, with universities and other providers expected to work more closely with Public Research Organisations – including shared use of capital-intensive infrastructure – and businesses, to accelerate knowledge transfer and commercialisation. Internationally, tertiary institutions will be expected to build and deepen research partnerships that increase the quality and influence of New Zealand research, connect local firms to global innovation, and support mobility and capability-building across the New Zealand realm and the Pacific.

## Examples of contributing activities

- › Strengthen collaboration between universities and Public Research Organisations, such as in capital asset use, infrastructure, and strategic investments in the science system.
- › Greater regional collaboration between providers, employers and industry organisations, iwi and communities in what education is offered and how it is delivered.
- › Strengthen connections between tertiary education providers and industry, particularly where there are known mismatches between current provision and industry skill needs.
- › Strengthen partnerships between tertiary education providers and hapū and iwi to support Māori development aspirations.
- › Strengthen partnerships with Pacific communities and organisations in regional planning.
- › Build on tertiary education institutions' distinctive research strengths, through greater specialisation, where appropriate.
- › Explore the distinct contribution of Mātauranga Māori to national and global challenges and scholarship.
- › Strengthen university collaboration with overseas education and research institutions.

# Priority 5: International Education



**Boost numbers of international students, supporting the sector to grow and increasing New Zealand's international connectivity, as set out in the International Education Going for Growth Plan.**

International education is both a significant export industry and a key enabler of global engagement and influence. It generates export earnings, enriches the domestic education system, strengthens international relationships, and promotes New Zealand's identity and values on the world stage.

In 2019, international education was New Zealand's fifth largest export with revenue of \$4.38 billion. However, the sector was significantly affected by the border closure between 2020 and 2022. While the sector has begun to recover, New Zealand faces a global, highly-competitive industry where demand for international education opportunities is high. At the same time, global student expectations are shifting towards more flexible, digitally enabled learning experiences, and stronger links between study and career opportunities.

To remain competitive and achieve the Government's goal of doubling the value of international education by 2034, New Zealand needs a more strategic, coordinated approach. This includes targeted promotion in key markets, system-wide improvements to the student experience, and policy settings that support high-quality, sustainable growth. To support the system and education providers to continue to benefit from international education over the longer term, New Zealand must maintain and enhance the quality of the education we offer.

There is also an opportunity to deepen the contribution of international education to New Zealand's research, innovation and workforce development goals. This complements the other priorities in the Tertiary Education Strategy, particularly Economic impact and Innovation, and Integration and Collaboration.

## Changes expected over the next 5 years

International education is an important part of the Government's Going for Growth approach to support economic growth. The International Education Going for Growth Plan is an action under the 'Promoting global trade and investment' pillar of Going for Growth.

The International Education Going for Growth Plan sets out the pathway to double export revenue from \$3.6 billion in 2024 to \$7.2 billion by 2034, and sets out short term (6-12 months), medium term (1-2 years), and long term (2+ years) marketing and promotional activity to achieve sustainable growth of international education.

The International Education Going for Growth Plan aims for growth across all international education subsectors and focuses on:

- › Marketing and promotional activity which will build New Zealand as a destination of choice.
- › Supporting changes to broader settings to encourage quality, sustainable growth in international education.

## **Examples of contributing activities**

### **New marketing and promotional actions**

- › Launch a high-profile global brand campaign to showcase New Zealand's unique advantages and raise awareness in key international markets.
- › Implement an improved agent network model that standardises training and engagement with recruitment agents.
- › Advance Education New Zealand's AI-driven platform providing round-the-clock support and information to prospective students and agents worldwide.
- › Develop and execute tailored go-to-market plans for each target country and education subsector.
- › Deliver more immersive in-market events and experiences to directly engage students, parents and influencers.

### **Supporting changes to broader settings to encourage quality, sustainable growth in international education**

- › Ensuring appropriate immigration settings to enable access for genuine students.
- › Ensuring high-quality education and qualifications for students who come to study in New Zealand.
- › Supporting sector experience and capability to increase capacity for growth.
- › Setting a clear direction for international education in New Zealand.

# Delivering the Strategy

## Provider roles and expectations

New Zealand's tertiary education system has a diverse mix of organisations. Our public tertiary education institutions have distinct missions, governance arrangements and statutory characteristics. This diversity is vital to a strong and resilient system, and all tertiary education organisations have a unique role to play in delivering on this Strategy. They are expected to build on past progress while sharpening their focus on the Government's strategic priorities.

- › **Universities** are primarily concerned with advanced learning, knowledge creation and the development of intellectual independence. They must integrate teaching and research, act as the critic and conscience of society, meet international standards, and serve as repositories of knowledge.
- › **Wānanga** are institutions established by Māori, primarily iwi, with a mandate to advance mātauranga Māori, te reo Māori and tikanga Māori. They promote the social, cultural, and economic wellbeing of their communities and connect with indigenous tertiary networks globally. Wānanga will continue to play a critical role in supporting Māori aspirations through kaupapa Māori provision, indigenous research, and place-based partnerships.
- › **Polytechnics** are being re-established as regionally focused institutions delivering continuing education that meets local community and industry needs. They will engage in applied research and work with Māori communities to improve outcomes. Polytechnics will be expected to strengthen regional access, respond to skills needs, and deliver flexible, employment-focused learning.
- › **Private Training Establishments (PTEs)** are diverse institutions offering education from foundation to postgraduate level. They are often highly responsive to learner, employer, and community needs. Registered PTEs will be expected to continue their role in providing flexible, targeted education and to demonstrate their contribution to priority outcomes, particularly for specific population groups and industries.

This TES does not override the broader statutory missions of our public tertiary education institutions. Universities, wānanga and polytechnics, will continue to pursue their wider educational, research, and community functions. However, all providers seeking TEC funding are expected to show how their plans, activities and investments will contribute to the Government's priorities: lifting achievement, increasing economic impact and innovation, improving access and participation, deepening integration and collaboration, and growing international education.

**Providers are expected to:**

- › Align their educational delivery and research activities with the TES priorities, including by responding to workforce needs, improving outcomes for under-served students and trainees, and contributing to national and regional development.
- › Strengthen relationships with employers, industry, iwi and communities to ensure education is relevant, equitable and impactful.
- › Embed evidence-based approaches to learner success, particularly for Māori, Pacific peoples, disabled people, and students and trainees from low-income backgrounds.
- › Adapt delivery models to support lifelong learning, including through work-based, online, modular and work-integrated learning options.
- › Ensure research and innovation activities contribute to economic growth, including through stronger industry engagement, commercialisation, and knowledge transfer.

Industry Skills Boards (ISBs) play a key role in improving the relevance and credibility of vocational education and training for the industries they serve. They give effect to the TES by ensuring that the vocational education and training system meets industry needs. This includes setting standards, developing qualifications, and quality assuring programmes. They also advise the TEC on its investment in vocational education and training, undertake workforce analysis and planning for their industries, and temporarily manage some work-based training.

## **Government Agency Roles**

Government agencies play a vital role in creating the policy, funding, and regulatory environment in which providers operate, and in supporting the system to deliver on the Strategy.

- › The Tertiary Education Commission (TEC) will give effect to the strategy through its investment and performance management functions. This includes setting expectations for TEOs' Investment Plans, allocating funding to align with Tertiary Education Strategy priorities, and supporting provider capability. The TEC is required to have regard to the Tertiary Education Strategy in all its functions, including in its provision of careers information and guidance.
- › The New Zealand Qualifications Authority (NZQA) will ensure the quality and integrity of qualifications and programmes, and support system responsiveness through qualification development, programme approvals, and provider registration processes.
- › Education New Zealand (ENZ) is responsible for promoting New Zealand education internationally to raise awareness and drive student choice. ENZ will lead the implementation of the International Education Going for Growth Plan, working with providers and other agencies to grow international student enrolments and strengthen global connections.



- › The Ministry of Education provides policy advice to Government and monitors the performance of the tertiary education system and its agencies. It will advise on regulatory and funding changes needed to support the strategy, and track system-level progress against the TES priorities.
- › The Ministry of Business, Innovation and Employment (MBIE) supports the strategy by aligning science and innovation investments with national priorities and strengthening the links between tertiary education, research commercialisation, and the needs of New Zealand's labour market and economy. It will also ensure policy settings in immigration, skills, and workforce development align with our approach to tertiary education.

All agencies are expected to collaborate to reduce duplication and compliance for providers, while maintaining high expectations for quality and performance. Agencies contributing to the TES will track progress against relevant indicators and report through their existing accountability frameworks.

# Monitoring Tertiary Education Strategy Outcomes and System Performance

## Monitoring the implementation of the Tertiary Education Strategy will:

- › inform Ministers of the overall progress being made against the strategy and the monitoring of government agencies' performance,
- › provide system-level information to inform ongoing planning and decisions by tertiary education organisations and the TEC, and
- › inform ongoing policy and investment decisions, including Budget priorities.

A range of measures will be used to monitor the Tertiary Education Strategy, covering outcome indicators, intermediate outcomes, and outputs. Where progress on the Government's priorities will take time to show in outcome data, intermediate measures will be used to track progress.

Each TES priority has a key success measure, but there are also opportunities to strengthen monitoring across the priorities. Measures for the International Education priority reflect the International Education Going for Growth Plan.

Key success measures will be further developed in a more comprehensive monitoring framework to accompany the TES, including intermediate and secondary measures where data is not currently available.

The TEC will also need to consider how to update its provider-level performance indicators to support investment decisions. These may not directly mirror system-level measures but will help assess how well providers are delivering on TES priorities. Providers will also assess their own performance in meeting the needs of students and trainees, communities, iwi, employers, and industry.



## Achievement

### Key success measure:

Higher completion rates and better employment outcomes, including for students entering tertiary education with low prior achievement.

### Opportunities to strengthen measures

System-level performance data are available on student progression, retention and completions. However, while completion rates remain important, they are not a complete picture of learner success. System-level measures could better capture the progress individuals make relative to their starting points (especially for those entering tertiary education with lower prior achievement) as well as their transition into relevant careers. There is also value in recognising outcomes that support employment but do not result in a formal qualification.

At provider level, the TEC should explore developing “distance travelled” measures and the success of programmes and providers in transitioning students into relevant employment or further learning.



## Economic Impact and Innovation

### Key success measure:

Stronger employment and innovation outcomes, as measured by graduate earnings, skills relevance, and research uptake by industry.

### Opportunities to strengthen measures

While graduate earnings and employment can be tracked, and research activity monitored via external research income and research degree completions, system measures should better reflect relevance and impact.

This could include measures of employer and graduate satisfaction and vocational career-entry rates. For research, commercialisation outcomes (such as licenses and spinouts) should be measured, alongside indicators of contribution to foundational research and knowledge transfer.

The TEC should consider developing provider-level measures of innovation activity and workforce relevance to help guide investment decisions.



## Access and Participation

### Key success measure:

Improved access to study and training with good employment outcomes, measured by broader participation in regional areas and by students and trainees from underserved groups.

### Opportunities to strengthen measures

There are robust system-wide data on who is participating in tertiary education, and what and where they are studying. These measures help track participation by demographic characteristics and study pathways.

Further analysis of participation data, modes of delivery and the regional availability of provision may help better measure accessibility, including for disabled people and other underserved groups. Measures could also assess how well the system enables pathways between tertiary education providers and different modes of delivery.

There is scope for the TEC to develop a better understanding of how providers are addressing access barriers. This could include how providers are responding to learner needs, and access outcomes for underserved groups. More granular analysis of student decision-making could also support investment and careers planning.



## Integration and Collaboration

### Key success measures:

A more connected system, as measured by growth in cross-sector education, research and workforce partnerships.

### Opportunities to strengthen measures

While some partnership and collaboration activities are reported through providers' investment plans and specific research initiatives, this is not yet a consistent or comprehensive system-level view.

The system needs better measures of how well the tertiary education system integrates with businesses, iwi, communities and the broader science system. These could cover better measures of work and community-integrated delivery, and joint appointments between universities and Public Research Organisations.

Measures of collaboration across the tertiary sector, such as joint-delivery, credit transfer, dual enrolment, and co-investment in infrastructure or curriculum, are also required.



## International Education

**Key success measure:**

Doubling the value of international education to \$7.2 billion by 2034.

The International Education Going for Growth Plan outlines the following intermediate measures:

- › Raising awareness of New Zealand as a study destination from 40% in 2024, to 42% in 2027 and 44% by 2034.
- › Growing student enrolments from 83,400 in 2024 to 105,000 in 2027 and 119,000 by 2034.
- › Increasing the proportion of prospective students rating NZ among their top 3 choices of study destination from 18% in 2024 to 20% in 2027 and 22% in 2034.



**Te Kāwanatanga o Aotearoa**  
New Zealand Government