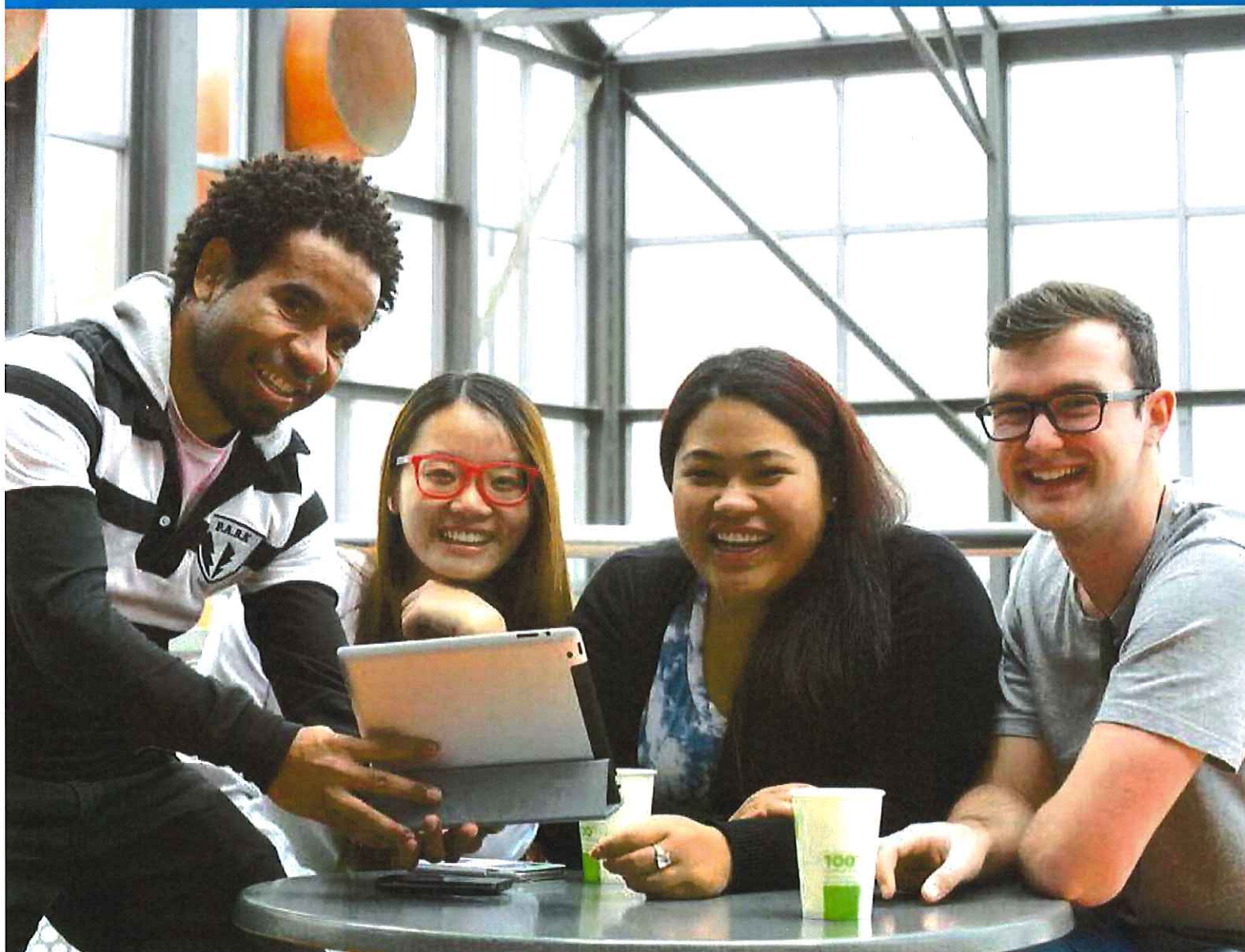


Briefing for the Incoming Minister for Tertiary Education, Skills and Employment

Prepared by the Ministry of Education

December 2016



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Tertiary and international education shape our future

1. Tertiary and international education contribute to success for New Zealand and New Zealanders.
2. Tertiary education includes formal qualifications for foundation skills, vocational training and higher education, in-work and provider-based post-secondary education, and informal adult and community education.
3. The long term goals the Government has set in its Tertiary Education Strategy are:
 - › Building international relationships that contribute to improved competitiveness
 - › Supporting business and innovation through development of relevant skills and research
 - › Improved outcomes for all: better pay and employment, higher living standards, better health, and greater satisfaction with life.
4. The New Zealand tertiary education system performs well when compared internationally: it is both high quality and cost-effective. In particular, we have high degree-level completion rates, our students have high skill levels, and we have high participation rates for older students. There is more to do to ensure all New Zealanders can reach their potential in tertiary education and that it delivers for New Zealand businesses and the community.
5. International education includes New Zealand education provided to international students both here in New Zealand and overseas. It builds on the expertise of New Zealand educators, and the international research and innovation connections of tertiary education providers. International education has grown to become our fourth largest export industry. It supports New Zealanders to gain the skills we need to compete internationally. New Zealand offers most students a great experience and good quality education, but there is more to do to grow the value from international education and to ensure the quality of the experience for both international and New Zealand students.
6. In 2016/17, the Government will invest around \$4.2 billion in tertiary education, through Vote Tertiary Education and student financial support in Votes Revenue and Social Development. Annex 1 sets out more information about the education Votes.

We are here to advise you

7. We are your primary advisor on system policy and performance for tertiary and international education.
8. The Ministry of Education is the steward of the education system. We focus on outcomes for learners and the long term health and performance of the education system as a whole, from early childhood to tertiary education. We provide advice on the design of the system, the connections and linkages and how well it is working. We are in a good position to provide advice and support right across the system.
9. We undertake our work with, and alongside, a wide range of education, social and economic agencies, iwi, employers and industry, and students, families and whānau. We work to ensure that the system can and does deliver what New Zealand needs.
10. We look forward to working with you. Annex 2 sets out more detail on who we are and what we do.

Your role as Minister for Tertiary Education, Skills and Employment

11. The Minister for Tertiary Education, Skills and Employment's principal responsibilities with regard to tertiary and international education are set out in the Education Act 1989 (the Act), the Industry Training and Apprenticeships Act 1992, and the Crown Entities Act 2004. You are responsible for Vote Tertiary Education.
12. You, like the previous Minister, have an Associate Minister for Tertiary Education, Skills and Employment. We have attached the delegation letter from the previous Minister to the Associate Minister.
13. The Minister for Tertiary Education, Skills and Employment has also been a member of several groups of portfolio Ministers: Skilled and Safe Workplaces Ministers, Export Markets Ministers, Building Innovation Ministers, Student Loan Ministers, and the Ministers overseeing the International Education Senior Officials Group. We support you in these roles and will provide you with briefing to prepare for your first meetings.

The Education Act 1989

14. The tertiary education parts of the Education Act 1989 address key elements of the tertiary education system, including a range of general provisions covering courses and students, regulation of private training establishments, membership and funding of student associations, offence provisions and the regulation of certain types of fees.
15. The international education parts of the Act set the framework for international education throughout New Zealand education, including eligibility for funding support, pastoral care and welfare, and the regulatory framework for providers, including funding through the Export Education Levy.
16. The Act also provides for:
 - › the legislative framework for the establishment of Crown entities and statutory organisations (including the specification of functions, powers and duties)
 - › the publication of government strategies (i.e. the Tertiary Education Strategy and the International Education Strategy) and other guiding documents for the sector
 - › the framework for the quality assurance, investment planning, funding and monitoring of tertiary education organisations,
 - › the policy and funding of secondary-tertiary programmes for which the Minister for Tertiary Education, Skills and Employment and the Minister of Education have overlapping interests and formal responsibilities.
17. In performing these functions, the Act requires that you as Minister must always give effect to Parliament's intention that academic freedom and institutional autonomy are to be preserved and enhanced (section 161(4)).

The Industry Training and Apprenticeships Act 1992

18. The Industry Training and Apprenticeships Act 1992 was amended in 2014 following a system-wide review of industry training. The review established a comprehensive apprenticeship system that supports apprentices of all ages and focussed Industry Training Organisations (ITOs) on the roles of arranging training and standard setting.
19. The main responsibility of the Minister under this Act is to recognise a body corporate as an Industry Training Organisation with coverage across specific industries. The Tertiary Education Commission (TEC) acts as the funding and monitoring agency for industry training (with funding delivered under s159 of the Education Act) and the New Zealand Qualifications Authority (NZQA) quality assures ITOs and approves their education programmes.

Your role as Minister for Tertiary Education, Skills and Employment

Responsibilities for Crown Agents

20. You are directly responsible for the Tertiary Education Commission (TEC) and Education New Zealand (ENZ).
21. You play a key role in the governance of these Crown entities and are responsible to the House of Representatives for overseeing and managing the Crown's interests in, and relationships with, the Crown entities in your portfolio. The Crown Entities Act 2004 creates an accountability relationship between Crown entities, their board members, and you as responsible Minister. The Crown entity's board directs the entity's day-to-day operations.
22. The NZQA and Careers New Zealand (CNZ)¹ fall under the warrant of the Minister of Education, but play a significant role in tertiary and international education. Their functions relating to tertiary education fall within your responsibilities.

Crown entity monitoring

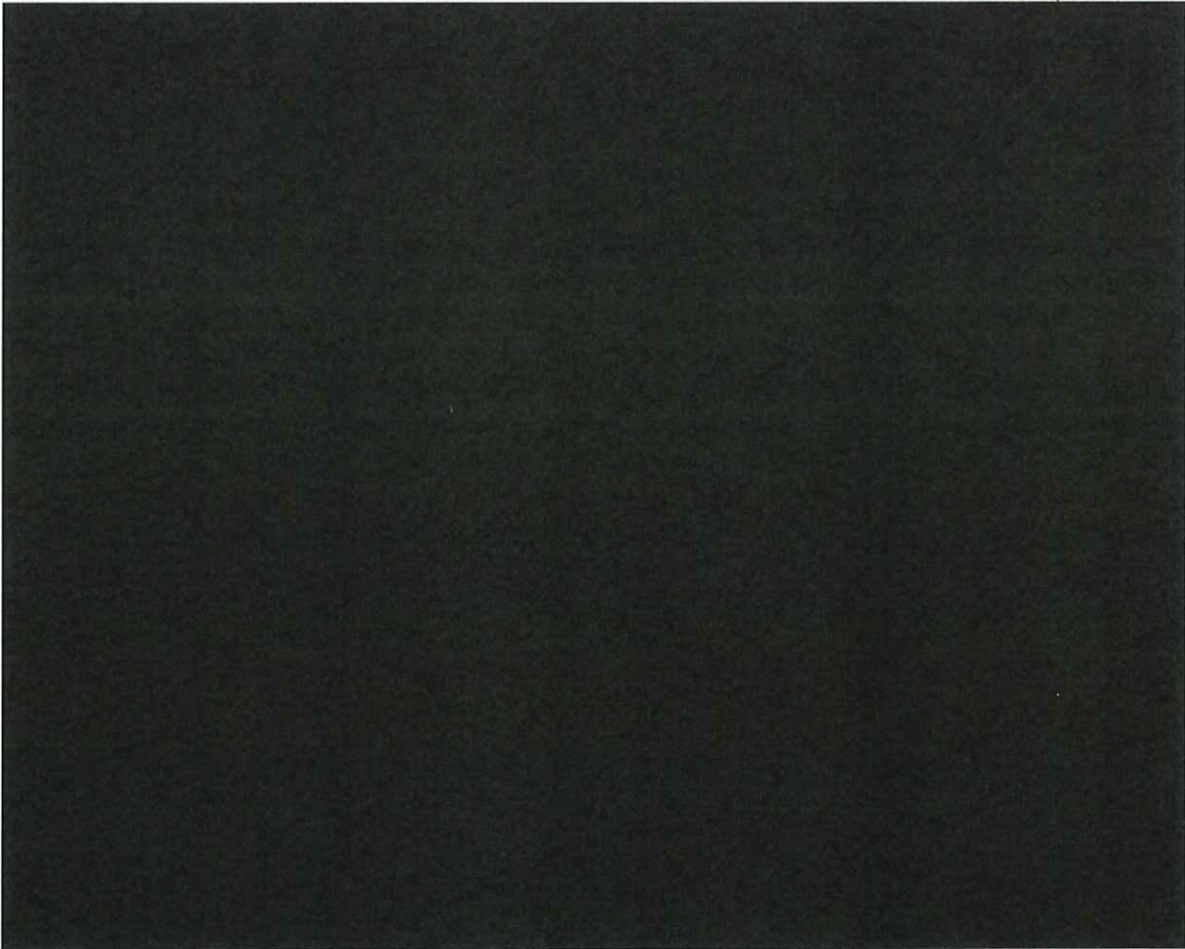
23. On your behalf, we monitor the TEC and ENZ jointly with the Ministry of Business, Innovation and Employment (MBIE). We also monitor education Crown entities – NZQA and CNZ – on behalf of the Minister of Education.
24. The main purpose of our monitoring is to provide Ministers with assurance that the Crown entities are performing effectively and to advise you on any Crown ownership risks. This monitoring covers areas such as strategic alignment, operational performance and financial sustainability. We also have a role in managing statutory appointments to Crown entity boards.
25. We will be working with the Minister of Education on education Crown entities' strategic direction and operational priorities. Some elements of these will be relevant to your portfolio and we will ensure you are briefed, as appropriate.

¹ The Education (Update) Amendment Bill before the Education and Science select committee proposes to disestablish CNZ and merge its tertiary education functions into TEC.

Key decisions in the next 3-4 months

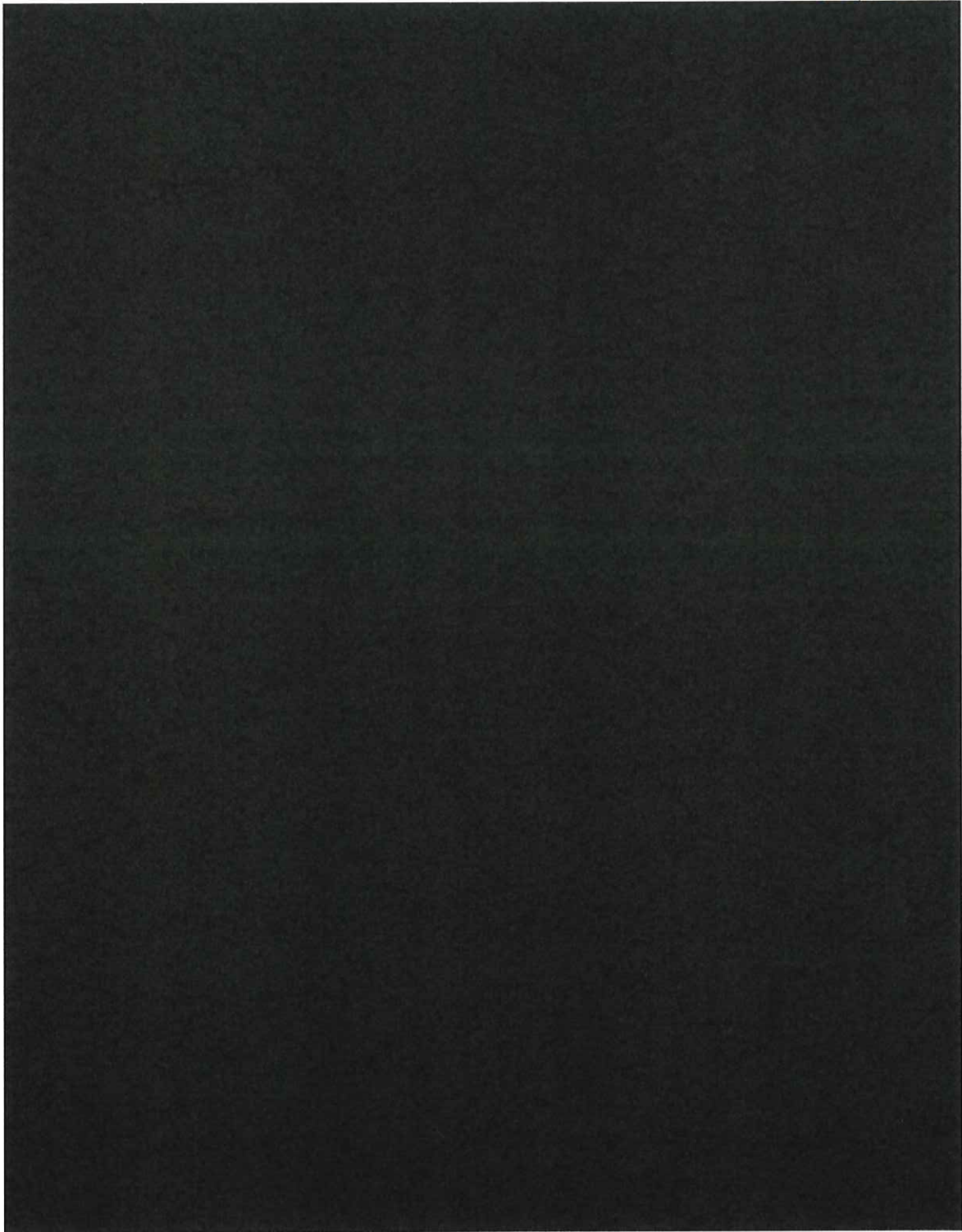
26. Over the coming months, we will be seeking your feedback and decision on a range of work. Decisions on Budget 2017 will be among the highest priority. A number of other areas also require consideration and decision. We have organised these according to the driver for the decision: Budget, statutory or legislative requirements, sector expectations, or the existing policy or performance work programme. We will adjust our resourcing and reporting to fit your priorities.
27. In some cases, joint decisions or Cabinet decisions are required. The major items already planned are listed below.

s 9(2)(f)(iv) OIA



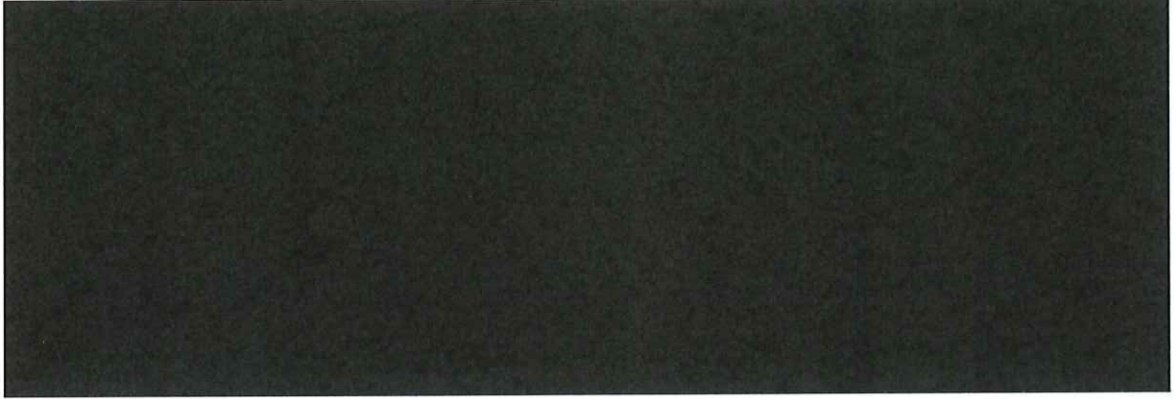
Key decisions in the next 3-4 months

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Key decisions in the next 3-4 months

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Annex 1

Tertiary Education expenditure

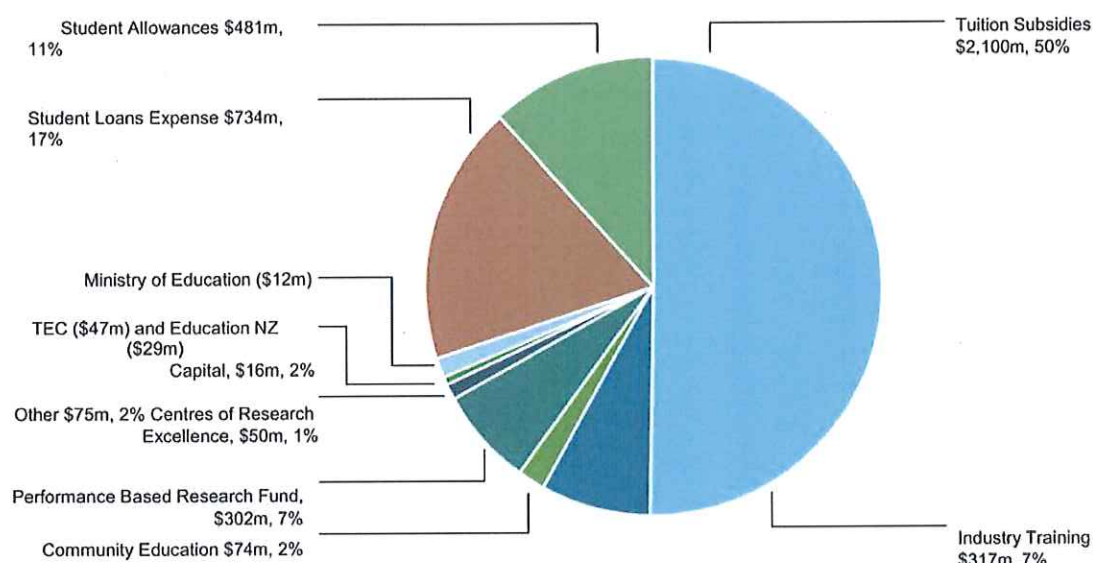
The education portfolios account for \$14.3 billion budgeted expenditure in the October Baseline Update 2016 (GST excluded). The Ministry of Education administers this expenditure under Vote Education and Vote Tertiary Education.

You are responsible for Vote Tertiary Education. The Vote is \$3 billion in 2016/17. Most funding is managed by TEC and paid to tertiary providers to fund research, tuition subsidies and vocational training. The Vote also includes non-departmental funding for education providers, students and their families (including scholarships, professional development and study awards), and to fund the activities of Education NZ and TEC. There is a small amount of non-departmental capital, primarily \$15 million for the redevelopment of the University of Canterbury.

Departmental funding of \$12 million funds activities purchased from the Ministry of Education: our policy, monitoring and performance advice.

A further \$1.2 billion funds student allowances and net student loans scheme expenses for tertiary students (after annual repayments are made against student loans). Student allowances and student loan payments are part of Vote Social Development, and administered by the Ministry of Social Development. Student loan debt and repayments are administered by Inland Revenue.

Tertiary Education Expenditure Budget 2016/17 (October Baseline Update 2016)



Annex 2

How the Ministry of Education supports you

The Ministry of Education has a key role in supporting the Minister for Tertiary Education, Skills and Employment and government.

We have a range of capabilities and resources at your disposal, both within the Ministry and through seconded private secretary support for your office.

Who we are and what we do

Name	Position	Responsibilities	Mobile/DDI
Iona Holsted	Secretary for Education Chief Executive of the Ministry of Education	The Secretary provides stewardship and leadership across the education system to drive a lift in student achievement at all levels. The Chief Executive is responsible for executing the functions and duties of the Ministry, advice to Ministers, and efficient, effective, and economical management of the Ministry	04 463 8003 [REDACTED] s 9(2)(f)(iv) OIA
Claire Douglas	Deputy Secretary	Graduate Achievement, Vocations and Careers (GAVC) - GAVC is responsible for tertiary education strategy, policy and sector performance analysis. This includes secondary- tertiary transitions, student and provider financial support and Vote Tertiary Education Budget.	04 439 5320 [REDACTED] s 9(2)(f)(iv) OIA
Roger Smyth	Group Manager, Tertiary Education	GAVC is also responsible for international education strategy, policy, and engagement including Government's 20 bilateral education cooperation arrangements.	04 463 8633 021 120 7757
Emily Fabling	Director, International		04 463 8480 [REDACTED] s 9(2)(f)(iv) OIA
Ellen MacGregor-Reid	Deputy Secretary	Strategy, Planning and Governance (SPG) - is responsible for business strategy, education system stewardship including Crown entity monitoring, planning and governance, risk and assurance, legal services, communications and ministerial services.	04 463 8006 [REDACTED] s 9(2)(f)(iv) OIA
Andrea Schöllmann	Deputy Secretary	Education System Policy (ESP) - is responsible for strategic system-wide policy, Māori and Pasifika policy, the policy functions for early learning and schooling. ESP also runs the Vote Education Budget.	04 463 8097 [REDACTED] s 9(2)(f)(iv) OIA
Apryll Parata	Deputy Secretary	Parents, Whānau, Communities and Employers (PWC&E) - is a new group and is currently responsible for information and communications programme design for parents, whānau, communities and employers that seek to raise the demand for education excellence. It also designs and delivers time bound equity programmes targeted to support the raising of achievement of individual priority learners/students.	04 463 8845 [REDACTED] s 9(2)(f)(iv) OIA
Katrina Casey	Deputy Secretary	Sector Enablement and Support (SE&S) - is the key early learning / schooling sector group, with a regional presence to support learners, providers and sector pathways. In tertiary education, this group leads frontline implementation of Youth Guarantee initiatives across both Vote Education and Vote Tertiary Education.	04 463 8890 [REDACTED] s 9(2)(f)(iv) OIA

Annex 2

Name	Position	Responsibilities	Mobile/DDI
Karl Le Quesne	Acting Deputy Secretary	Early Learning and Student Achievement (ELSA) - is responsible for programme design, primarily for early learning and schools. In tertiary education, this group is lead for development of curriculum resources which support Youth Guarantee (in particular Vocational Pathways and related tools).	04 463 8090 s 9(2)(f)(iv) OIA
Craig Jones	Deputy Secretary	Evidence Data and Knowledge (EDK) - is the knowledge and information function for schooling and early learning. EDK undertakes the research and analysis to monitor at the system level and inform advice and decision making right through the system.	04 439 5406 s 9(2)(f)(iv) OIA
Jerome Sheppard (Kim Shannon returns as Head from 14/1/2017)	Acting Head	Education Infrastructure Service (EIS) - is supporting the system through the design, implementation and management of education infrastructure products and services.	04 463 8004 s 9(2)(f)(iv) OIA
Zoe Griffiths	Deputy Secretary	People, Capability and Resources (PCaR) - provides corporate services for the Ministry and the wider education sector. PCaR is responsible for finance, procurement, IT, people capability and business services.	04 463 7726 s 9(2)(f)(iv) OIA

Our Four Year Plan sets out our strategic intentions, based on Government strategies for tertiary and international education. We have an annual Output Plan agreement between the Minister for Tertiary Education, Skills and Employment and the Secretary for Education, which sets out our priorities and performance measures for 2016/17. This Plan can be amended at any time with your agreement. We report quarterly on progress, and make an annual report to Parliament. We will provide you with copies of the current strategy and planning documents, and we are ready to discuss any changes to reflect your portfolio priorities.

As the Government's strategic advisor on tertiary and international education, we work closely with other government agencies to improve tertiary education outcomes and contribute to the broader social and economic sectors. These agencies include:

- » Tertiary Education Commission
- » New Zealand Qualifications Authority
- » Inland Revenue
- » Statistics New Zealand
- » Education New Zealand
- » Ministry of Business, Innovation and Employment
- » Ministry of Social Development
- » Ministry of Foreign Affairs and Trade

We also work closely with central agencies: The Treasury, State Services Commission and the Department of Prime Minister and Cabinet.

Annex 3

Associate Minister's delegations from the previous Minister



Office of Hon Steven Joyce

Minister for Economic Development
Minister for Regulatory Reform
Minister of Science and Innovation
Minister for Tertiary Education, Skills and Employment

Minister Responsible for Novopay
Associate Minister of Finance

Hon Louise Upston
Associate Minister for Tertiary Education, Skills and Employment
Parliament Buildings

Delegated functions and responsibilities

1 Congratulations on your appointment as Associate Minister for Tertiary Education, Skills and Employment,

Role and responsibilities

2 In your capacity as Associate Minister for Tertiary Education, Skills and Employment, I delegate to you the following functions and responsibilities of the Tertiary Education, Skills and Employment portfolio:

- 2.1 Day to day responsibility for industry training;
- 2.2 Day to day responsibility for Private Training Establishments;
- 2.3 Day to day responsibility for Adult and Community Education (ACE);
- 2.4 Replying to Ministerial correspondence and Parliamentary Questions on issues relating to the above;
- 2.5 Other initiatives as agreed from time to time by us.

3 The above delegations are subject to the conditions set out in this letter. Please also refer to paragraphs 2.33 to 2.38 of the Cabinet Manual, which deal with the relationship between Ministers and Associate Ministers.

Financial and statutory responsibilities

4 As portfolio Minister, I have final responsibility for, and overall control of all Crown entities within the portfolio. I am also responsible for Vote Tertiary Education and for any relevant statutory functions of the Minister.

5 Where it is required for the purpose of the delegated functions, or whenever I am absent, you may sign documents or authorisations on my behalf. You should show clearly

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Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand. Telephone 64 4 817 6813 Facsimile 64 4 817 6513

Annex 3

that you are signing on my behalf, by signing "for the Minister for Tertiary Education, Skills and Employment".

Policy

6 Although you will have responsibility for matters of policy in relation to the above, any significant policy decisions should be discussed with me.

Public statements

7 I expect you to take responsibility for all communications regarding your areas of responsibility, including Ministerial correspondence, press statements and public announcements.

8 Ministerial correspondence concerning significant policy issues should be prepared by the Ministry of Education, the Tertiary Education Commission or Ministry of Business, Innovation and Employment for my signature, where appropriate. Any significant public announcements should be discussed with me prior to release and, in some cases, may be made either by me or the Prime Minister.

9 I am retaining direct responsibility for Tertiary Education, Skills and Employment policy, and will make public statements on policy issues. From time to time, I may ask you to meet with individuals and groups to make speeches or statements on my behalf.

Relations with the Department

10 You may contact the relevant agencies on all matters for which you have delegated responsibility. All such inquiries should be made via the Chief Executive.

11 I expect to be kept fully informed of all significant issues and the Chief Executive is, of course, free to raise any matter concerning your delegated functions with me.

12 You are welcome to attend regular briefing sessions with departmental officials that are held in my office. You may arrange, through my office, to have your own regular briefing sessions or ad hoc meetings with departmental officials to discuss matters relating to your areas of responsibility. A designated member of my office may attend any such meeting.

Communications between us

13 You should ensure that I am fully briefed on the actions that you think are necessary to undertake in relation to your delegated responsibilities. All significant papers, letters and directions to the Department should be copied to me for my information. In particular, you need to ensure I receive the earliest warning of any issues that have the potential to become controversial. In turn, I will keep you informed of my actions in relation to your areas of responsibility.

14 I will also consult with you on policy issues, and on matters related to the implementation of policy initiatives within the Tertiary Education, Skills and Employment portfolio more generally.

15 To ensure maximum co-operation and co-ordination, I propose that we meet regularly to coordinate our actions, and to share views and ideas.

Cabinet and Cabinet committee papers

Annex 3

16 The rules on the submission of papers to Cabinet and Cabinet committees are set out in Chapter 5 of the Cabinet Manual. In particular, in terms of paragraph 5.38, you may sign out any Cabinet and Cabinet committee submissions relevant to your areas of responsibility, provided that the paper clearly states that I have agreed with the submission of the paper.

17 If you are a member of a Cabinet committee, you will receive copies of the submissions and minutes of that committee. You will also receive direct from the Cabinet Office submissions and minutes on matters relating to your delegated responsibilities that are dealt with at other Cabinet committees.

Information held by you as Associate Minister

18 Under the Official Information Act 1982, all papers held by you in relation to your Associate Minister for Tertiary Education, Skills and Employment responsibilities are deemed to be held on behalf of the Minister for Tertiary Education, Skills and Employment. Similarly, you will be treated as my agent, where necessary, for the purposes of the Privacy Act 1993.

19 You will be responsible for all Official Information Act requests in the areas of your delegated responsibility.

Parliamentary responsibilities

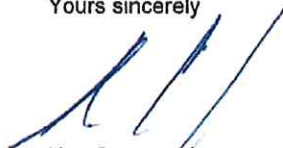
20 Parliamentary questions relating to your delegated areas of responsibility will be addressed to you. In my absence, you may also be required to answer oral Parliamentary questions on my behalf.

Next steps

21 A summary of the above delegations will be included in a *Schedule of Responsibilities Delegated to Associate Ministers*. The Schedule will be presented to the House of Representatives to clarify Ministerial accountability (so that, for example, Parliamentary questions can be directed to the appropriate Ministers for answer).

22 I look forward to working with you in the Tertiary Education, Skills and Employment portfolio. Please do not hesitate to discuss these delegations with me at any time.

Yours sincerely



Hon Steven Joyce
Minister for Tertiary Education, Skills and Employment

cc Prime Minister
Secretary of the Cabinet
Chief Executive, Ministry of Education
Chief Executive, Ministry of Business, Innovation and Employment

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