



Education Report: Further advice on supporting teacher supply in 2023 and beyond

To:	Hon Chris Hipkins, Hon Jan Tinetti		
Cc:	Hon Aupito William Sio, Hon Kelvin Davis		
Date:	26 August 2022	Priority:	High
Security Level:	In Confidence	METIS No:	1293506
Drafter:	Merlin Callister	DDI:	9(2)(a)
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Messaging seen by Communications team:	Yes	Round Robin:	No

Purpose

The purpose of this paper is for you to **agree** to a package of initiatives to support teacher supply in 2023 and beyond.

Summary

1. We have recently provided two papers of advice on teacher supply [METIS 1290129 and 1292247 refer]. From this advice, you have asked us to prepare a package of interventions that attracts additional overseas and domestically trained teachers into the system for 2023 and in out years.
2. There are a number of teacher supply initiatives already in place, but we consider we can do more to support the sector in 2023 and in further years. We have developed a package of interventions to recruit additional overseas and domestically trained teachers, complementing existing initiatives already underway.
3. The table below summarises six initiatives which would deliver up to 937 additional teachers at full uptake – 760 from overseas and 177 from domestic initiatives. In addition, 62 beginning teachers would be matched to new roles through an expanded brokering scheme for new graduates.
4. The total cost of this investment is \$23.62m, of which \$17.66m in FY22/23 and \$5.96m in outyears costs for the additional *Te Huawhiti / Career Changer* scholarships.

	Initiative	Description	Change	Increase	Cost (FY22/3)	
Overseas	1	Increasing Overseas Relocation Grant (ORG)	<ul style="list-style-type: none">Pay overseas teachers (both overseas trained and returning New Zealanders) \$10,000 to support relocation50% of places for secondary, 25% for primary/ECE	<ul style="list-style-type: none">Increase places (600 to 1360)Increase grant (\$5k to \$10k)	+760 teachers	\$8.7m Of which- \$3.4m ECE
	2	Increasing Overseas Finders Fee (OFF)	<ul style="list-style-type: none">Pay \$3,450 to help with overseas teacher recruitment costs	<ul style="list-style-type: none">Increase places (600 to 1360)		\$2.6m Of which- \$1.17m ECE
	3	Reducing agency processing times and reduce upfront sunk costs	<ul style="list-style-type: none">Fund roles in NZQA/TC/EPL to reduce processing time for overseas teacher assessmentsFund NZQA to waive the cost of an International Qualification Assessment (IQA) for up to 1,200 overseas teachers.	<ul style="list-style-type: none">Speed up processing time for NZQA/ EPL/ TCFund NZQA for 1,200 IQAs	N/A	\$1.446m
Domestic	4	Expanded Beginning Teacher Vacancy Scheme (BTVS)	<ul style="list-style-type: none">Matches beginning and returning teachers to long-term positions - 12months+ in schools with high needFunds schools \$20,000 to support BT inductionFunds BT up to \$27,500 over 5years	<ul style="list-style-type: none">Increase places (68 to 130)	+62 teachers <i>Brokered by - T1 2023</i>	\$1.2m
	5	Expanded 'Auckland Schools' Teacher Training Programme'	<ul style="list-style-type: none">Expands existing EBITE programme for trainee teachers where they work on-site and study remotelySchools currently fund \$10,000 allowance and course fees for students	<ul style="list-style-type: none">Increase places (23 to 100)Pay \$20,000 per student to school to fund allowance, fees, and additional management time	+77 teachers <i>Training: T1 2023</i>	\$2.0m
	6	Increase Te Huawhiti Career Changer Scholarships	<ul style="list-style-type: none">Support for career changing individuals to enter teachingCourse fees paid to study teacher qualificationAllowance of \$30,000 per year, up to three years	<ul style="list-style-type: none">Increase number of scholarships (85 to 185)	+100 teachers <i>Training: T1 2023</i>	\$1.72m (+\$5.96m for out-year costs)

5. In addition to the increases to *Te Huawhiti* described above, a further 25 *Te Waka Whakareai / Career Changer* scholarships for Māori Medium will be provided by repurposing funding from our *Te Tipu Whakarito* scholarships which are persistently undersubscribed. This best utilises underspends, meets the demand for *Te Waka Whakareai* applications, and maintains funding for Māori Medium. This will cost \$0.43m in FY 22/23, plus out-year costs of \$1.492m. This funding is separate from

the \$23.62m investment described above 9(2)(f)(iv)

9(2)(f)(iv)

9(2)(f)(iv)

9. We would aim to release this package in early September 2022. This is timed so schools and kura can use the announced supports for their key recruitment period leading into term one 2023. We know this is a key recruitment period for schools and kura and want to ensure support is available in time for that.

9(2)(f)(iv)

Recommendations

Domestic

- a. **Agree** to expand the *BeTTER Scheme* (formerly *Beginning Teacher Vacancy Scheme*) from 68 to 130 positions at a cost of \$1.2m

Agree/Disagree
Minister Hipkins

Agree / Disagree
Minister Tinetti

- b. **Agree** to expand the *Auckland School Training Programme* from 23 to 100 positions at a cost of \$2m

Agree/Disagree
Minister Hipkins

Agree / Disagree
Minister Tinetti

- c. **Agree in-principle** to expand the number of *Te Huawhiti / Career Changer Scholarships* available from 85 to 185 at a cost of \$7.68m, of which \$1.72m this FY and the remainder in out years, 9(2)(f)(iv) and **note** that a further 25 *Te Waka Whakarei / Career Changer* scholarships will be funded by other scholarship underspend already identified.

Agree/Disagree
Minister Hipkins
International

Agree / Disagree
Minister Tinetti

- d. **Agree in-principle** that we will increase the *Overseas Finders Fee* and *Overseas Relocation Grant* from 600 to 1,360 places each, increase the ORG from \$5,000 to \$10,000, fund additional FTE to the Teaching Council, NZQA, and Education Payroll Limited, and fund NZQA International Qualifications Assessments - a total cost of \$12.746m, 9(2)(f)(iv)

9(2)(f)(iv)

Agree/Disagree
Minister Hipkins

Agree / Disagree
Minister Tinetti

- e. **Note** that we will allocate the *Overseas Finders Fee* and *Overseas Relocation Grant* at a ratio of 680 Secondary, 340 Primary, and 340 ECE, and that we may adjust this allocation based on uptake. We will inform your office before doing so.

Noted
Minister Hipkins

Noted
Minister Tinetti

Next Steps

- f. 9(2)(f)(iv)

Noted
Minister Hipkins

Noted
Minister Tinetti

- g. **Agree** that we prepare a paper for you to take to Cabinet in September to seek approval for these changes.

Agree/Disagree
Minister Hipkins

Agree / Disagree
Minister Tinetti

- g. **Agree** to release this briefing and related briefings once it has been considered by you and the associated announcement has been made.

Agree/Disagree
Minister Hipkins

Agree / Disagree
Minister Tinetti

Hon Chris Hipkins
Minister of Education

Hon Jan Tinetti
Associate Minister of Education

Simon Mandal-Johnson
Senior Manager | Te Puna Ohumahi Mātauranga


26/08/2022

Our approach to increasing teacher supply in 2023 and beyond

1. Our previous advice in 2022 has indicated concerns for teacher supply in 2023 and beyond in both the compulsory and early childhood sector, as well as the persistent challenges in Māori Medium and shortage subjects. To ensure we are acting proactively to support the sector, we have prepared a package of support to increase teacher supply for 2023 and beyond.
2. The package is designed to balance a range of considerations:
 - Investing in growing domestically trained teachers
 - Increasing opportunity to recruit overseas trained and returning teachers
 - Ensuring appropriate support for all three sectors
 - Using other supply pipelines like career changers and returning teachers
 - Balancing investment in options that deliver an impact now while also growing our longer-term pipelines
 - Value for money and overall cost in a tight fiscal environment.
3. In addition to initiatives we already have in place, an additional \$23.62m investment to further support the sector will be included. **Annex 2** summarises each initiative in the investment - its purpose, rationale, impact, and cost.
4. Teacher supply is dynamic, with some indicators and feedback loops indicating pressures, while others (such as demand drivers of school rolls/population) are seen to be loosening.

5.

9(2)(f)(iv)


6. 
7. We are also closely monitoring the ongoing collective bargaining rounds to assess the impact of any changes on the supply of teachers.

Supporting the supply of domestically trained teachers

8. We will expand three initiatives to grow the pipeline of domestically trained teachers in 2023 and beyond. The cost of this expansion is \$4.92m

9(2)(f)(iv)

 within the \$23.62m

9(2)(f)(iv)
9. The initiatives are outlined in greater detail below, including why we have selected them and how they support teacher supply.

Supporting the use of EBITE programmes

10. We know there is growing interest in expanding options for Employment Based Initial Teacher Education (EBITE). We intend to improve these pathways in our future work programme so there are clearer pipelines for teachers to enter the teaching profession beyond traditional ITE programmes. This aligns with advice provided in the *Teacher / Kaiako Work Education Work Programme*.
11. We have recently been advised of a successful EBITE programme currently run in Auckland secondary schools – the *Auckland Schools' Teacher Training Programme*. The programme is currently co-ordinated by Westlake Boys High School.
12. We want to support this programme to grow from what has been a successful foundation so far. We have focused on Auckland as the co-ordinators have indicated concern that if this was expanded nationally, it may lose the control around the quality of both the host school, and the trainee teacher.
13. Trainee teachers spend the year completing coursework remotely with the University of Waikato while they work on-site at one of Auckland's high schools. They are transitioned into their teaching career and have a job offer lined up afterwards. Schools pay the ITE course fees and provide a \$10,000 allowance to the student. This payment is made from school's own operational funding budgets.
14. The programme is currently in its second year which saw 23 trainee teachers involved. In the third round (2023) they intend to expand to more schools and potentially up to 50 trainee teachers.
15. The expanded programme will use the Westlake Boys High School model and be extended to fund up to 100 trainee teachers. We will provide a grant of \$20,000 per student to fund the schools to provide \$10,000 allowance per student, cover course fees of \$7,000 and provide \$3,000 to fund additional management time.
16. Schools currently involved are primarily larger and higher decile, however, there has been interest in expanding to include schools of different demographics. Working with Regional Directors to identify schools, we would look to extend the programme to other schools in Auckland, with a maximum of three students per school.
17. The benefit of the programme is that it works within the current community to attract people looking to change careers, who are older (usually in their 40s – 50s). The deadweight costs of this intervention are likely to be relatively small: many of the trainee teachers in the scheme have stated they would not attend ITE as they don't want to return to a student lifestyle. Instead, they prefer the community aspect of a practicum-base degree where they are surrounded by people of the same age.

Supporting Career Changers

18. We also know there is value in expanding options for career changers who help grow the supply of domestically trained teachers. To recognise this, we are expanding the number of available *Te Huawhiti | Career Changer Scholarships* for English Medium from 85 to 185 as part of our \$23.62m investment. This will cost \$1.72m in FY 22/23, plus out-year costs of \$5.96m. ^{9(2)(f)(iv)}
19. In addition, a further 25 *Te Waka Whakareii / Career Changer Scholarships* for Māori Medium will be provided by repurposing funding from our *Te Tipu Whakarito* scholarships which are persistently undersubscribed. This will cost \$0.43m in FY 22/23, plus out-year costs of \$1.492m. This funding is already secured.

20. These scholarships offer an allowance to individuals of \$30,000 per year, up to three years, and cover course fees to study an approved teaching qualification.
21. Our two *Career Changer* scholarships are popular and often over-subscribed. In 2021 there were around 800 applications for our 85 *Te Huawhiti* scholarships, and around 100 applications for our 90 *Te Waka Whakareia* scholarships.
22. These scholarships are popular for prospective technology teachers as they are often moving from a successful career in the trades and need the financial support to meet their commitments while they train. An increase in scholarship numbers may result in more technology teachers where we hear there are shortages.
23. Lower applications for *Te Waka Whakareia* suggest a supply problem because of not enough te Reo Māori speakers and a competitive market for te Reo speakers. 9(2) 9(2)(f)(iv)

Supporting Beginning Teachers

24. Support for Beginning Teachers will continue with a refresh of our *Beginning Teacher Vacancy Scheme (BTVS)* which was piloted in November 2021 as a response to the COVID-19 vaccine mandate for teachers.
25. The scheme will be refreshed as the '*BeTTER Scheme*' (*Beginning Teacher, Teacher Education Refresh Scheme*) to indicate the inclusion of returning teachers who complete a *TER* programme. 130 positions will be funded in 22/23 which includes the 62 further places funded from our \$23.62m additional investment.
26. The *BTVS* pilot was effective with uptake of around 500 graduates and almost 200 nominated schools. It placed 41 full time teachers into 24 schools, with more than 56% of the teachers placed into permanent positions. This is significant as the number of beginning teachers who receive permanent contracts for their first role was just 29% in 2018¹. Sector unions continue to advocate for more permanent positions for beginning teachers.
27. We believe there is merit in expanding this scheme as it achieved several teacher supply goals. Namely, increasing uptake of initiatives (*Voluntary Bonding Scheme, National Beginning Teacher Grant*), supporting beginning teachers into longer-term positions with funded mentoring, and supporting schools/kura most in need.
28. The scheme will be expanded to also include returning teachers (in addition to beginning teachers) who have completed a *TER* programme in 2022 or 2023 and are applying for their first position since completion.
29. It will also maintain the effective components the *BTVS* offered, including matching the teacher to positions of 12 months or longer, financially supporting the school/kura to provide structured mentoring and induction to the teacher, and giving priority to regional and local voice by allowing regional Te Mahau offices to make the decision on what schools/kura are eligible on a need-basis.
30. Beginning and returning teachers will be matched to selected schools and kura and will be provided with \$5,000 in both their first and second year to encourage retention. The teacher will also be eligible for the *Voluntary Bonding Scheme (VBS)* and will receive a \$10,500 payment after their third year of employment and \$3,500 in both their fourth and fifth year (\$27,500 total after five years).

¹ [He-Whakaaro-Transitions-of-ITE-graduates-into-tea....pdf \(educationcounts.govt.nz\)](#)

Supporting the supply of overseas teachers

31. You recently agreed [METIS 1292247 refers] to expand the current suite of initiatives that support the recruitment of overseas teachers (OTs).

9(2)(f)(iv)

33. We have reduced the number of *OFF* and *ORG* places from 1,800 as previously advised, to 1,360 to balance support for domestic supply initiatives. This is to reallocate funding to increase support for domestic initiatives. The final secured amount for international initiatives is therefore \$12.746m of the total \$23.62m total.
34. It is important to retain an allocation for each sector. This will ensure grants are allocated to meet emerging demand from the reduced places. There are two options we can take:
- **Option A:** allocate 50% of places (680) to the secondary sector to help address persistent, ongoing shortages in this sector. The remainder would be allocated evenly between the ECE and primary sectors (340 places each).
 - **Option B:** allocate places evenly across ECE, primary, and secondary sectors (approx. 450 places per sector). This is in line with what Minister Hipkins agreed in May 2022 and when the *OFF* and *ORG* were reopened in July 2022.
12. We will allocate the places based on Option A. This recognises the ongoing supply challenges in secondary and the small number of graduating tertiary students in some subjects (e.g., mathematics). It also ensures efficient allocation of the *OFF* and *ORG* places. This will ensure the best uptake across the categories. As previously agreed, we may adjust allocations between these categories without the need to consult you [METIS 1284816 refers]. We will inform your office before we do so.
35. While you previously agreed to extend the ECE *OFF* cap from one to three places per centre, due to the reduced number of places we recommend retaining the cap of one per centre. However, we recommend keeping the *ORG* available to all overseas teachers who meet the criteria (so no ECE cap). To do otherwise could create inequities between overseas teachers and significantly impact retention.
36. We will continue to monitor the uptake of the *OFF* and *ORG*, along with the number of visas issued under the Accredited Employer Work Visa (AEWV) as indicators of the number of overseas teachers entering New Zealand.

9(2)(f)(iv)

37.

38. While recruitment initiatives are important for increasing supply, it is equally important to retain OTs once they arrive. 9(2)(f)(iv)

9(2)(f)(iv)

9(2)(f)(iv) To improve retention, we need to ensure OTs have a positive experience teaching and settling into New Zealand.

39. We will work with the sector to produce a package of support to improve retention of OTs based on the findings from our work with *Toi Āria: Design for Public Good* at Massey University. While we expect some actions may be able to be undertaken in the short-term, feedback and recommendations provided by *Toi Āria* will be included in our future work programmes to ensure we are supporting OT retention.

9(2)(f)(iv)

Financial Implications

45. This package of changes will require \$17.66m of funding this FY as well as \$5.96m in outyears. 9(2)(f)(iv)

² https://www.educationcounts.govt.nz/data/assets/pdf_file/0003/196338/He-Whakaaro-New-teacher-retention-in-New-Zealand-....pdf

9(2)(f)(iv) we will work with your office to develop a communications plan for a planned announcement.

Annex 1: Announcement Package for Teacher Supply in 2022

Buy

- **Increasing availability** of the *Overseas Finder's Fee (OFF)* and *Overseas Relocation Grant (ORG)* to include all schools and kura and increasing the

number of places from 600 to 1,360

- **Increasing the amount** of the *ORG* to \$10,000 (NZD) 9(2)(f)(iv)
- Funding to improve **processing times** of overseas applications in NZQA, Teaching Council of Aotearoa, and Education Payroll Limited.
- Funding to NZQA to **waive the cost of a qualification assessment** (\$746) for up to 1,200 overseas teachers.

Grow

- Releasing a *Become a Teacher* **marketing campaign** to attract people to the teaching profession for 2023. Planned release is late Term 3, 2022.
- Refresh of the outdated **TeachNZ website** to a modernised, more user-friendly platform that includes more up-to-date information on initiatives, scholarships, and processes.
- Extending the contract of **Teach First NZ** by a further five years which will support a further 75 participants each year into secondary schools/wharekura.
- Expand the offering for **Māori Medium EBITE** by two programmes. A pilot consisting of 14 participants will conclude in 2023, and two new pilots will commence, run by Ngā Kura ā Iwi, with 15 and 40 participants respectively.
- An expansion of the **Iwi Māori workforce programme** agreed in Budget 2022 will see us increase the number of Iwi we work with to 25. This programme works with and supports Iwi to identify and support trainee teachers into Māori Medium Education.
- Expanding the **Auckland School Teacher Training Programme** – 100 funded positions for trainee teachers to receive practical experience while also doing distance study.
- Expansion of our **Te Huawhiti | English Medium Career Changer Scholarships** from 85 to 185, and our **Te Waka Whakareia | Māori Medium Career Changer Scholarships** from 90 to 115.

Retain

- Promoting the '**BeTTeR Scheme**' for beginning and returning teachers - match graduates and returning teachers to long-term positions, fund structured mentoring and induction for two years, and encourage retention with bonding payments of up to \$17,500 after five consecutive years of employment.

Distribute

- Promotion of **retention and distribution-based initiatives** such as the *Voluntary Bonding Scheme* and *National Beginning Teacher Grant* by working with ITE providers, schools, and kura to increase uptake.

Return

- Extension of 'fees-free' TER programme for returning teachers until mid '23.

Annex 2: Detailed explanation of the six initiatives funded from the additional investment

Initiative	Description of Initiative	Rationale of Initiative	# of teachers supported	Cost (FY22/3)
Overseas	Overseas Finder's Fee (OFF)	<ul style="list-style-type: none"> Pay eligible schools, kura, and early learning services \$3,450 to help with overseas teacher recruitment costs Note a cap of 1 OFF per early learning centre 	Additional 760 teachers (In total OFF+ORG will support up to 1,360 teachers)	\$8.7m Of which- \$3.4m ECE
	Overseas Relocation Grant (ORG)	<ul style="list-style-type: none"> Pay eligible overseas teachers (both overseas trained and returning New Zealanders) \$10,000 to support relocation to New Zealand 		\$2.6m Of which- \$1.17m ECE
	Improving agency process times	<ul style="list-style-type: none"> Fund roles in NZQA/TC/EPL to reduce processing time for overseas teacher assessments 		
	Funding to NZQA for IQAs	<ul style="list-style-type: none"> Fund NZQA to waive the cost of a qualification assessment (\$746) for up to 1,200 overseas teachers. 		\$1.446m
Domestic	BeTTER Scheme (formerly BTVS)	<ul style="list-style-type: none"> Matches beginning and returning teachers to long-term positions - 12months+ in schools who need most support Funds schools \$20,000 to support BT induction Funds teachers up to \$27,500 over 5years 	Additional 62 teachers (not new) Training: T1 2023)	\$1.2m
	Auckland Schools' Teacher Training Programme	<ul style="list-style-type: none"> Expands existing EBITE programme for trainee teachers where they work on-site and study remotely Schools currently fund \$10,000 allowance and course fees for students 	Additional 77 teachers Training: T1 2023	\$2.0m
	Te Huawhiti Career Changer Scholarships for English medium	<ul style="list-style-type: none"> Support for career changing individuals to enter teaching Course fees paid to study teacher qualification Allowance of \$30,000 per year, up to three years 	Additional 100 teachers Training: T1 2023	\$1.72m (\$5.96m for outyears costs)