

Cabinet Paper material

Proactive release

Minister & portfolio Minister Hipkins, Education
Name of package Teacher Supply Package: Report Back
Date considered 7 March 2022
Date of release 26 April 22

These documents have been proactively released:

Cabinet Paper: Teacher Supply Package: Report Back

Date considered: 7 March 2022

Author: Minister of Education

Cabinet Minute: CAB-MIN-22-0052

Date considered: 7 March 2022

Author: Cabinet Office

Cabinet Minute: SWC-22-MIN-0018

Date considered: 2 March 2022

Author: Cabinet Office

Material redacted

Some deletions have been made from the documents in line with withholding grounds under the Official Information Act 1982. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some deletions have been made from the documents as the information withheld does not fall within scope of the Minister's portfolio responsibilities, and is not relevant to the proactive release of this material.

You can read the Official Information Act 1982 here:

<http://legislation.govt.nz/act/public/1982/0156/latest/DLM64785.html>

In Confidence

Office of the Minister of Education

Cabinet Wellbeing Committee

Proposal

- 1 This report fulfils the Committee's request that I report back annually on the uptake of initiatives to alleviate teacher supply pressures, funded from the 2019 Budget package "Teacher Supply – Continuing to Increase the Levels of Teacher Supply for the Future" [CAB-19-MIN-174.13 refers].

Relation to government priorities

- 2 The Teacher Supply Budget package relates to Labour's 2017 election manifesto commitments on education, which was to implement a comprehensive teacher supply programme to ensure we have enough teachers to meet future demand.

Background

- 3 The New Zealand labour market for teachers and kaiako is influenced by a wide range of economic and social factors. Ideally the supply of qualified teachers and kaiako meets the demand from schools and early learning centres, but over time there has been fluctuation resulting in the under and over supply of teachers.
- 4 To manage under supply, interventions to increase numbers of teachers have been funded since at least 2009. New Zealand's suite of teacher supply initiatives is similar to comparable countries and the teacher labour market is an international market.
- 5 To date, the Government has made four separate investments in Teacher Supply over the past four years, for a combined total investment of \$142m in:
 - 5.1 December 2017: a rapid investment of \$9.5m to support urgent Teacher Supply needs.
 - 5.2 Budget 2018: \$20m allocation for Teacher Supply. An additional \$6m was allocated to the ongoing Voluntary Bonding Scheme
 - 5.3 October 2018: \$10.6m allocation to fund initiatives in 2018/19 only. It was expected that Budget 2019 would deliver a more comprehensive suite of funding.
 - 5.4 Budget 2019: \$95m funding for 2019/20 to 2022/23, and an extra \$0.9m was reallocated to Early Learning in September 2019.
- 6 Participants in Teacher Supply initiatives include:
 - 6.1 Trainee teachers/kaiako and beginning teachers/kaiako taking up scholarships, relocation grants, bonding schemes, and study awards; and

- 6.2 School and kura taking up support to recruit teachers and support induction and mentoring for beginning teachers.
- 7 Targeted support focused on where there are shortages of teachers, and to schools that have difficulty recruiting and retaining teachers, including:
 - 7.1 Teachers are supported to train and teach in areas with persistent shortages - te reo Māori, Māori immersion, science, technology, engineering, and maths; and
 - 7.2 Schools and kura that are low decile and hard to staff¹ (including isolated schools) are supported to recruit and retain teachers.

Analysis

Teacher Supply Initiatives 2020/21

- 8 COVID-19 disrupted many parts of our society in 2020/21, including the teacher labour market. Four key disruptors are particularly important:
 - 8.1 Higher retention and lower turnover of teachers. The number of people staying in the profession has increased. The rate of retention has increased from 90% (2020) an estimated 92% (2021) in primary, and from 90% (2020) to an estimated 93% (2021) in secondary.
 - 8.2 Reduced immigration. The closure of the border has reduced the flow of new incoming teachers. Between 300-700 new teachers were recruited per year between 2017 and 2020, dropping to around 160 in 2021, most of whom are likely to be returning citizens.
 - 8.3 Reduced migration. International borders were closed due to COVID-19 restrictions consequently emigration rates of 20–34-year-olds dropped from around 43,000 in 2019 to 33,000 in 2020. and
 - 8.4 Strengthening of the wider economy and increased employment. Employment has increased substantially following a lockdown-impacted low point in Q1 2020, increasing the competition for a fixed pool of domestic graduates.
- 9 In 2021 teachers remained in the profession at 2-3% higher rate than usual (equivalent to 600-900 teachers). However, high retention rates may only continue while the borders are closed. When borders open retention rates may drop back to normal. The speed of a return to normal may be fast or slow, and the Ministry has planned for both scenarios.
- 10 Similarly, the numbers of trainees in initial teacher education increased by 27% in 2021 compared with 2020 (as of August 2021). The increase is likely due to the impact of COVID-19 and trainees seeking to enrol in 'safe' programmes during times of economic uncertainty. This increase may not be sustained in a post-COVID-19 environment.

¹ Hard to staff schools currently include low decile schools/kura and high deprivation index early learning centres. We are exploring expanding this definition to include those schools affected by the pandemic.

- 11 The Ministry organises teacher supply initiatives into four categories:
- 11.1 *Buy* – enable the migration of overseas teachers New Zealand.
 - 11.2 *Grow* – increase the number of teachers being trained in New Zealand.
 - 11.3 *Retain* – increase the number of teachers remaining in the profession.
 - 11.4 *Distribute* – ensure teachers are teaching where they are most needed.
- 12 Table 1 gives a summary of the budget, spend, and variance of the Teacher Supply Initiatives by these categories.

Table 1: Summary of Teacher Supply Initiatives

Teacher Supply Initiatives 2020/21	Budget (\$m)	Spend (\$m)	Variance (\$m)	Comment
Buy initiatives	\$1.88	\$0.74	\$1.14	Stopped mid-year due to closed borders and reprioritised to new Distribute initiatives.
Grow initiatives	\$12.69	\$14.57	\$-1.88	Two initiatives were extended to grow numbers of te reo Māori and Māori medium teachers/kaiako.
Retain initiatives	\$8.51	\$5.06	\$3.45	Lower uptake than expected due to COVID-19 disruption. Ministry reassessing plans for 2022 and beyond due to COVID disruption.
Distribute initiatives	\$3.03	\$0.39	\$2.64	Lower than expected uptake due to the lag time to stand up two new initiatives after borders closures.
Total	\$26.11	\$20.76	\$5.35	

- 13 Spend and uptake of initiatives to date has been within the approved budget for these initiatives. Teacher Supply initiatives, scholarships and awards were expected to support up to 2,345 -participants in 2020/21. Up to 1,791 have participated to June 2021. Numbers of participants are lower than expected, as overseas recruitment was paused in 2020/21 due to COVID-19 restrictions and disruption due to the COVID-19 pandemic.
- 14 Prior to borders closing, overseas recruitment was a significant source of teachers, with nearly 1,000 returning New Zealand and overseas trained teachers arriving since 2019. Overseas recruitment initiatives funds of \$4.16m were reprioritised while borders were restricted to support the domestic recruitment of teachers. Domestic recruitment initiatives only ran for part of 2020/21 as borders closed in March 2020 and new initiatives take some time to stand up. Retention initiatives had a lower-than-expected uptake due to COVID-19 disruptions for teachers/kaiako and schools/kura and early learning centres.
- 15 Grow initiatives had a higher-than-expected uptake as two initiatives were extended beyond their initial terms to grow numbers of te reo Māori and Māori medium teachers/kaiako.

Teacher Supply Initiatives 2021/22 -2023/24

- 16 Training, employing, and retaining sufficient teachers to meet demand is a challenge and continues to be a challenge both in New Zealand and globally
- 17 The supply of and demand for teachers has changed due to the COVID-19 pandemic. The disrupted environment has also made reliable forecasting more difficult than usual.
- 18 There is a greater than usual level of uncertainty in our projections for future teacher supply. Future developments in COVID policy will have a significant impact, particularly border and immigration policies. In October 2021 the Government announced a vaccine mandate for everyone working in a school or childcare setting. Up to 15 November 2021, the Ministry worked with almost every school in New Zealand to ensure that they would be able to open on 16 November. In some cases, this resulted in 'temporary' solutions being developed, such as the increased deployment of school leaders in classroom-teaching roles. The mandate has caused staff shortages in some schools. However, the vast majority of schools were unaffected with most staff are double vaccinated. The Ministry has worked with affected schools on a case-by-case basis to find solutions for their staffing needs (such as redeploying teachers currently in a non-teaching role).
- 19 In November 2021, the Ministry of Education introduced a Covid-19 resignation category in its payroll data collection. As of 15 February 2022, a total of 401 teachers had been recorded as having resigned or given notice of resignation for reasons related to Covid-19. This represents less than 1 percent of the total teacher workforce of around 68,000 teachers who have appeared on payroll since the start of November 2021.
- 20 The Ministry is exploring a range of teacher supply options that could be put in place for to address shortages as a result of both the vaccine mandate and the further disruption caused by Omicron. This has included financially incentivising employment between new graduates of Initial Teacher Education institutions and schools with staffing challenges, as well as a temporary redeployment of qualified teachers who are currently working in non-classroom leadership roles.
- 21 Notwithstanding the additional challenge caused by the vaccination mandate, persistent structural challenges remain in parts of the teacher supply market. These include the early learning sector, in certain subjects at secondary level (such as Science, Technology, Engineering, Maths (STEM) and te reo Māori) and Māori immersion teachers. Hard to staff schools are also an ongoing challenge. We conducted a third-party independent review of our current suite of teacher supply initiatives in 2021/22 to test how well they are meeting the sector's needs. Generally, initiatives are working well, and we recommend continuing them. Others can be updated and improved to better serve the changing needs of the sector. The current suite of teacher supply initiatives will continue to give the education sector surety, with improvements to address persistent and emerging issues. Changes include extending initiatives to the early learning sector.

22 The current disruption in the market provides an opportunity for greater creativity and innovation to tackle these challenges. We plan to put in place a programme of work to identify new and different ways to meet these needs.

23 The Ministry is planning a programme of work to better understand and address the long-term structural challenges of the teacher labour market so teacher supply initiatives can better serve the needs of the education sector. This will include piloting regional demand-supply modelling, as well as addressing long-standing data challenges which limit our understanding of teacher supply, especially on secondary school subjects and in the ECE sector. We have prioritised four five segments for this work, based on our current assessment of the highest priority needs of the system as a whole:

23.1 STEM;

23.2 te reo Māori, and the Māori medium sector;

23.3 Pacific languages;

23.4 ECE; and

23.5 hard to staff locations.

24 The Ministry will continue to monitor the teacher supply labour market and is preparing contingency plans to help the sector to respond to challenges such as managing the impact of the vaccine mandate and other emerging issues.

25 9(2)(f)(iv)



26 Financial Implications

27 There are no financial implications

Legislative Implications

28 There are no legislative implications.

Regulatory Impact Statement

29 A regulatory impact statement is not required.

Climate Implications of Policy Assessment

30 A climate implications of policy assessment is not required.

Population Implications

31 There are not population implications.

Human Rights

32 There are no human rights implications.

Consultation

33 Treasury was consulted.

Communications

34 A specific communications plan for this paper is not required.

Proactive Release

35 This paper will be proactively released within 30 business days of decisions being confirmed by Cabinet.

Recommendations

36 The Minister for Education recommends that the Committee:

37 **Note** that this report fulfils the Committee's request that I report back on the uptake of initiatives to alleviate teacher supply pressures [CAB-19-MIN-174.13 refers].

38 **Note** that the current suite of teacher supply initiatives will continue to give the education sector surety, with improvements to address persistent and emerging supply issues.

39 **Note** that the Ministry will undertake work in 2022/23-2023/24 to better understand the specific challenges of teacher supply and to develop new interventions where appropriate.

40 **Note** that the immediate impact of COVID-19 has been to ease some teacher supply issues, due to higher retention rates and higher Initial Teacher Education uptake.

41 **Note** that forecasting demand and supply is difficult due to the COVID-19 pandemic, and a suite of policy and operational responses are planned to support the education sector.

Authorised for lodgement

Hon Chris Hipkins

Minister for Education



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Report of the Cabinet Social Wellbeing Committee: Period Ended 4 March 2022

On 7 March 2022, Cabinet made the following decisions on the work of the Cabinet Social Wellbeing Committee for the period ended 4 March 2022:

Out of scope

SWC-22-MIN-0018

Teacher Supply Package: Report Back
Portfolio: Education

CONFIRMED

Out of scope

Michael Webster
Secretary of the Cabinet



Cabinet Social Wellbeing Committee

Minute of Decision

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Teacher Supply Package: Report Back

Portfolio **Education**

On 2 March 2022, the Cabinet Social Wellbeing Committee:

- 1 **noted** that in Budget 2019, Cabinet approved funding over four years for initiatives to increase teacher supply and invited the Minister of Education to report back annually on the uptake of initiatives [CAB-19-MIN-174.13];
- 2 **noted** that the current suite of teacher supply initiatives will continue to give the education sector surety, with improvements to address persistent and emerging supply issues;
- 3 **noted** that the Ministry of Education will undertake work in 2022/23-2023/24 to better understand the specific challenges of teacher supply and to develop new interventions where appropriate;
- 4 **noted** that the immediate impact of the COVID-19 pandemic has been to ease some teacher supply issues, due to higher retention rates and higher Initial Teacher Education uptake;
- 5 **noted** that forecasting demand and supply is difficult due to the COVID-19 pandemic, and a suite of policy and operational responses are planned to support the education sector.

Rachel Clarke
Committee Secretary

Present:

Rt Hon Jacinda Ardern
Hon Grant Robertson
Hon Kelvin Davis
Hon Chris Hipkins
Hon Carmel Sepuloni (Chair)
Hon Andrew Little
Hon Poto Williams
Hon Kris Faafoi
Hon Peeni Henare
Hon Wille Jackson
Hon Jan Tinetti
Hon Dr Ayesha Verrall
Hon Aupito William Sio
Hon Meka Whaitiri
Hon Priyanca Radhakrishnan

Officials present from:

Office of the Prime Minister
Office of the Chair
Officials Committee for SWC