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## Education New Zealand Board submission to the Productivity Commission inquiry: *Immigration – Fit for the Future*

23 December 2021

### Background

1. Education New Zealand Manapou ki te Ao (ENZ) is a crown agent that is solely focused on international education. Our purpose is to *deliver enduring social, cultural and economic benefits to Aotearoa New Zealand by taking New Zealand education experiences to the world.*
2. ENZ's objectives to achieve our purpose include:
  - **Tono (invitation):** Aotearoa New Zealand's unique education offerings and services are highly sought after by international learners.
  - **Pono (integrity):** Aotearoa New Zealand delivers high-quality and diverse education experiences that are sustainable, globally competitive and deliver value to all involved.
  - **Hono (global connections):** Aotearoa New Zealand makes the best possible use of its international education expertise to improve educational outcomes, establish partnerships and grow global connections.
3. We work with all parts of the international education sector, and support work across the education system. We engage with New Zealand's diverse international education institutions, including schools, English language schools, private training establishments, Te Pūkenga<sup>1</sup>, universities, and exporters of education products and services. We also work with education agents, other governments and other organisations who form part of the international education sector.
4. Our work includes promoting New Zealand education overseas, providing information to international students in New Zealand, undertaking research and providing intelligence, and managing activities undertaken by representatives appointed to act on behalf of the New Zealand Government in relation to international education.
5. We engage with international students at all stages of their student journey – from when they are just beginning to dream about a New Zealand study experience through to being alumni with successful careers all around the world.

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<sup>1</sup> This submission uses Te Pūkenga to refer to Te Pūkenga and its institutes of technology and polytechnic subsidiaries.

## Executive Summary

6. International students should not be characterised as coming to New Zealand to seek employment, invest or run a business. Instead they have different drivers that are used in deciding whether to come to New Zealand. International students bring foreign exchange to New Zealand to fund their studies and living costs which contributes to part of New Zealand's economic development. Therefore, international students are different to other temporary migrants included in the inquiry.
7. ENZ refutes some of the statements made about international students in the preliminary findings report and focuses our submission on:
  - The broader benefits gained by New Zealand from international students studying in New Zealand, such as the research by New Zealand universities and supporting New Zealand's bilateral diplomatic ties
  - International education is a globally competitive industry that supports the New Zealand Government's broader goals and objectives, such as New Zealand's diplomatic goals and aid objectives
  - There is a lack of evidence to demonstrate that international students are impacting absorptive capacity.
8. The characteristics of international students who come to New Zealand are as follows:
  - employability is an important driver for international students when choosing where to study (refer to paragraphs 23-28)
  - International students largely use their families and their own savings to fund their study (refer to paragraphs 34-35)
  - Many international students who come to New Zealand cannot or do not work while in New Zealand (refer to paragraphs 36-41)
  - International students stay in New Zealand for multiple years as they are often enrolled in multiyear courses of study or "pathway" their studies by undertaking study at a higher qualification level after completing an initial qualification/course (refer to paragraphs 29-33)
  - Most international tertiary students have left New Zealand within five years of completing their study in New Zealand (refer to paragraphs 45-48).

## International education's contribution to New Zealand

9. Pre-COVID-19, international education was New Zealand's fifth largest export industry.

### *International students enrolled with New Zealand providers in 2019<sup>2</sup>, by provider type*

	Number of international students	Proportion of all international students
Schools	23,577	20%
English Language Schools	22,921	20%
Private Training Establishments (funded) <sup>3</sup>	10,610	9%
Private Training Establishments (unfunded) <sup>4</sup>	8,850	8%
Te Pūkenga	16,643	14%

<sup>2</sup> ENZ's submission uses 2019 international student enrolment data as it was the last academic year where enrolments were not affected by border closures as a result of the COVID-19 pandemic.

<sup>3</sup> Private Training Establishments (funded) refers to Private Training Establishments that receive New Zealand Government funding for domestic student enrolments.

<sup>4</sup> Private Training Establishments (unfunded) refers to Private Training Establishments that do not receive New Zealand Government funding for domestic student enrolments.

	Number of international students	Proportion of all international students
Universities	33,828	29%
Wānanga	25	0%

10. In 2019, the total value<sup>5</sup> of the international education sector was estimated at \$5.23 billion. Tuition fees paid by international students in New Zealand accounted for \$1.21 billion of the valuation, \$4.93 billion came from spending by international students in New Zealand and \$0.3 billion from education products and services delivered offshore. International education supported more than 48,000 jobs, both directly and indirectly.<sup>6</sup>
11. International students in New Zealand contribute to regional economies by spending on local businesses, homestay and other accommodation, utilities, transportation and other services. Accommodation and transport account for approximately half of onshore spending by international students in New Zealand, followed by utilities and groceries.
12. Categorising international students within wider temporary migrants without acknowledging their unique characteristics is not particularly useful. Unlike the other migrants identified in the inquiry who come to New Zealand for the purpose of work, international students' primary purpose in leaving their home to study overseas is to have an education to meet their long-term needs, such as having the skills and knowledge to work globally. International students' desire to study in an English-speaking country is driven by various factors, but most are focused on either experiencing another culture or to succeed in their future career and life. Their top five motivations to study in an English-speaking country overseas<sup>7</sup> are:
- Studying overseas would be a deliberate career step planned to improve my life, prospects and to earn a good living (49%)
  - To experience living in another country/culture (48%)
  - Studying overseas is a great opportunity to connect and understand other people (42%)
  - Travelling around and experiencing a country in which I'm studying is very important to me (39%)
  - My education is my pathway to being successful in life (37%).

## New Zealand gains broader benefits from international education

13. International education delivers New Zealand with broader benefits in the short to long term. The preliminary findings do not reflect the wider benefits of international education, for example, the inquiry has only looked at firm-level innovation. As a result, there is no acknowledgement of the value of research that leads to innovation and that international PhD students significantly contribute to New Zealand's research output and strengthen our bilateral ties.

<sup>5</sup> ENZ is currently developing a broader impact valuation to measure the economic, social, cultural, education and diplomatic contribution of international education to New Zealand in the medium and long term. This work is due to be completed in early 2022.

<sup>6</sup> The basis for this valuation is the 2017 valuations and methodology provided in m.e. consulting: *Economic Valuation of International Education in New Zealand 2018* and PwC: *Value of New Zealand's Education Exports 2018*. ENZ used international students' tuition fees for 2019 and the Consumers Price Index changes in the price of goods and services from December 2017 to December 2019 for New Zealand households to calculate the 2019 valuation.

<sup>7</sup> Kantar (2021). *Understanding perceptions of New Zealand as a study destination*.

*“The kind of multicultural value-add that they bring is that they open your mind up to other things that are going on around the world”*

*Tim Cossar, CEO of Te Puia in 2018<sup>8</sup>*

14. International education builds stronger global connections, research links and partnerships for New Zealand. International education plays an important role in showing reciprocity in New Zealand’s bilateral relationships. It builds connections with and helps to influence other countries to advance New Zealand’s interests, project New Zealand values and secure the outcomes that matter to New Zealand. Some examples are two alumni, one is a successful Malaysian businessman who maintained close links with New Zealand and promoted closer links between the two countries, and a Brazilian agribusiness specialist who had been instrumental in helping organise technical visits to New Zealand for top Brazilian agribusiness managers, MPs and officials.
15. Enabling reciprocal engagement in terms of New Zealand’s bilateral education relationships diversifies New Zealand’s broader engagement with partner countries by ensuring our focus is not too heavily weighted toward trade. The resulting people-to-people linkages underpin and enhance our bilateral relationships.
16. For example, the Ministry of Foreign Affairs and Trade’s Manaaki New Zealand Scholarship Programme brings international students to New Zealand to increase the capability of scholars and alumni and contribute to a range of development and foreign policy outcomes. In 2020/21, the Ministry’s scholarships programme was committed to supporting 112 developing countries across the globe to achieve their development goals.<sup>9</sup>

#### **International students contribute to New Zealand’s research and innovation**

17. ENZ disagrees with the narrow focus on research and innovation only in relation to New Zealand firms and the Commission not taking a broader focus on research and innovation as education institutions undertake research and innovation.
18. New Zealand’s research productivity has increased in line with the significant increase in the number of international PhD students over the past two decades. Since 2005, international PhD students have paid the same fees as domestic students in New Zealand. This has seen the number of international PhD students increase from approximately 700 in 2005 to 5,110 in 2019, making up around half of the total number of PhD students in New Zealand.
19. PhD students particularly contribute to international research collaboration relationships that have long-term benefits for New Zealand’s institutions and boost university rankings. Many studies have shown that research publications with international collaboration have a higher impact through greater citations by other researchers – one of the key pillars of innovation.<sup>10</sup>

#### **The broader value of international education**

20. ENZ is currently developing a broader impact valuation to measure the economic, social, cultural, education and diplomatic contribution of international education to New Zealand in the medium and long term. This work is due to be completed in early 2022. ENZ would welcome the opportunity to share the report with the Commission once it has been finalised.

<sup>8</sup> Research New Zealand (2018). *Beyond the Economic – How international education delivers broad value for New Zealand*.

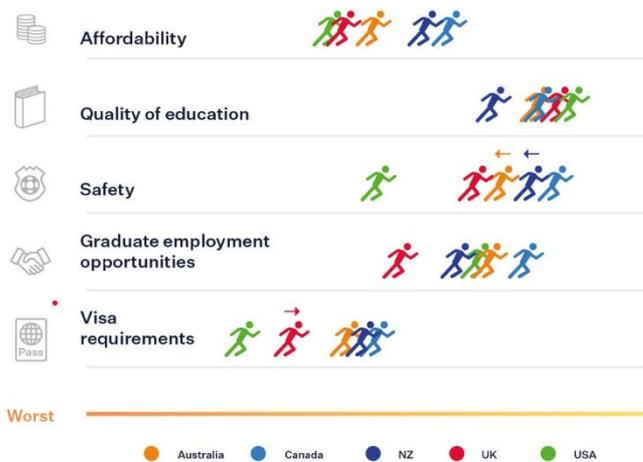
<sup>9</sup> Ministry of Foreign Affairs and Trade. *Annual Report 2020-21*.

<sup>10</sup> Marek Kwiek (2021). [What large-scale publication and citation data tell us about international research collaboration in Europe: changing national patterns in global contexts](#) in *Studies in Higher Education*, 46:12.

## International education is a globally competitive industry

21. International education is a globally competitive industry with New Zealand competing on a range of factors focused on the attractiveness of the “package” offered to international students.

### *Student perceptions of each destination on the following attributes<sup>11</sup>*



22. In 2019, international students in New Zealand identified nine factors that were very or extremely important in their decision to study in New Zealand.<sup>12</sup> These were:

- Opportunity to live in a society that is welcoming and inclusive (79%)
- New Zealand’s natural environment (76%)
- New Zealand’s reputation as a safe country (75%)
- Right to work in New Zealand once their studies are complete (70%)
- New Zealand qualifications are internationally recognised (69%)
- Opportunity for outdoor, leisure and adventure (67%)
- Academic reputation of the institution or school they are studying at or studied at (67%)
- The reputation of New Zealand’s education system (66%)
- The New Zealand culture and way of life (66%).

### **Work rights are an integral part of the international education package**

23. In-study and post-study work rights are an integral part of the education package for international students. For students, employability has been found to be key factor in deciding to study overseas and choosing where to study.<sup>13</sup> Working while studying is used by both domestic and international students to supplement income and gain work experience and skills.

24. This is because employability is a key expected return on investment for an international education experience, by students, their families, providers and governments.<sup>14</sup> Employability does not just refer to employment opportunities in the country of study, but also in their home country or a third country.

<sup>11</sup> IDP (2019). [International Student and Parent Buyer Behaviour Research 2019](#)

<sup>12</sup> Nielsen. [International Student Experience Survey 2019](#).

<sup>13</sup> QS (2020). [International Student Survey: Volume 2: Information and Influence](#).

<sup>14</sup> B. Berquist, R. Hall, S. Morris-Lange, H. Shields, V. Stern & L. Tran (2019). [Global perspectives on international student employability](#).

*“I am grateful for Dr. Mahsa’s guidance on natural language processing for te reo Māori and the way in which I am able to directly apply my classroom learnings to work projects”*

*Sagar Sanghvi while interning at Intela AI, Wellington after completing a Master of Analytics<sup>15</sup>*

25. Research shows that international students’ expectation to be able to work in a country after completing their studies is a common expectation. A study of international students in the United Kingdom found that 71% of students said that they plan to stay in the United Kingdom to work after graduation<sup>16</sup>. Research of international students in Australia indicated that 66% of international students rated access to the temporary graduate visa as important (22%) or very important (44%).<sup>17</sup>
26. In 2019, 70% of students identified the right to work in New Zealand once their studies are completed as a key factor in deciding to study in New Zealand. Work experience opportunities was the second most important driver of overall experience for private training establishment students, but it was not a key outcome driver in other sectors. In the same survey, 50% of those who had finished study and were living in New Zealand had a job in their study area. Students whose study was in hospitality/tourism (73%), nursing/midwifery (69%) or engineering/surveying (62%) were most likely to have a job in their study area.<sup>18</sup>

**International students’ plan following their New Zealand studies<sup>19</sup>**



27. A report by Universities New Zealand using the Integrated Data Infrastructure (IDI)<sup>20</sup> found that 45% of international degree graduate leave New Zealand immediately after study, 13% stayed in New Zealand to travel, about 42% worked on a post-study work visa and 2% stayed on another visa (often based on a relationship). It also found that within five years of completing study, 71% of international degree graduates had left New Zealand.<sup>21</sup>

<sup>15</sup> <https://media.enz.govt.nz/student-story/sagar-sanghvi>

<sup>16</sup> Higher Education Policy Institute and Kaplan International Pathways (2021). [Paying more for less? Employability support for international students at UK universities.](#)

<sup>17</sup> Ly Tran, Mark Rahimi, George Tan (2019): [Temporary Graduatification: Impacts of post-study work rights policy in Australia.](#)

<sup>18</sup> Nielsen. *International Student Experience Survey 2019.*

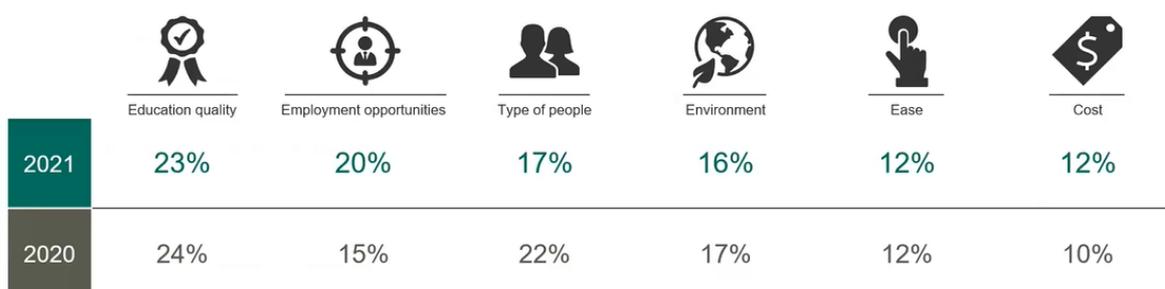
<sup>19</sup> Nielsen. *International Student Experience Survey 2019.*

<sup>20</sup> The Integrated Data Infrastructure is a large research database managed by Statistics New Zealand. It holds microdata about people and households. The data is about life events, like education, income, benefits, migration, justice, and health. It comes from government agencies and non-government organisations. The data is linked together, or integrated.

<sup>21</sup> Universities New Zealand (2021). [International degree graduates who stay in New Zealand.](#)

28. The Brand Health Research 2021 measured the importance of different factors to prospective international students when deciding where to study overseas, and their perceptions of New Zealand and New Zealand education. The 2021 research showed that economic factors (employment opportunities and cost) have become increasingly important to prospective international students when selecting where to study overseas compared to 2020.<sup>22</sup>

**Prospective international students weighting of factors when deciding where to study overseas<sup>23</sup>**



**International students undertake multiyear study**

29. ENZ agrees with the statement that many international students who come to New Zealand will stay in New Zealand for multiple years. There is a clear rationale for this as international students study for varying lengths of time depending on their course which can range from a four week course to improve their English to a multiyear bachelor's or PhD degree study.

**International tertiary students enrolled with New Zealand providers in 2019, by level of study<sup>24</sup>**

Level of study	Length of study <sup>25</sup>	Number of international students	Proportion of all international students
Level 1-2 certificates	About 1 year	1,661	3%
Level 3-4 certificates	About 1 year	6,690	11%
Level 5-7 certificates/diplomas	1-2 years	8,637	14%
Bachelor's degrees	At least 3 years	21,475	35%
Graduate certificates/diplomas	1 Semester – 1 year	6,495	11%
Bachelor with honours degrees, Postgraduate certificates/diplomas	1 year <sup>26</sup>	6,067	10%
Master's degrees	2 years	7,943	13%
PhD degrees	3 years	5,110	8%

30. International students can also “pathway” from one course to another. For example, the Ministry of Education’s research using the IDI showed that young<sup>27</sup>, international graduates who complete

<sup>22</sup> Kantar. *Brand Health Research 2021*.

<sup>23</sup> Kantar. *Brand Health Research 2021*.

<sup>24</sup> This table includes international students enrolled at Private Training Establishments (funded), Te Pūkenga and universities. It does not include international students enrolled at Private Training Establishments (unfunded).

<sup>25</sup> <https://www.careers.govt.nz/assets/pages/docs/qualification-level-factsheet.pdf>

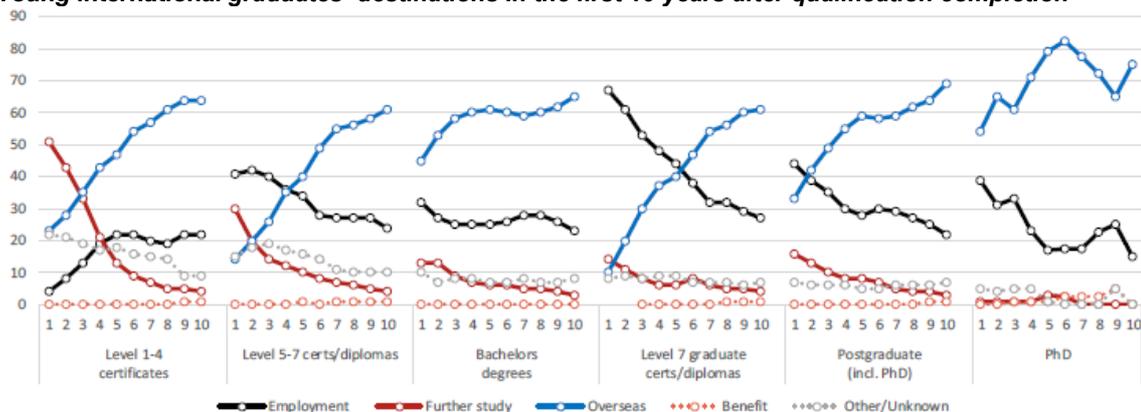
<sup>26</sup> A bachelor with honours can be a one-year programme after completing a three year bachelor's degree or a four year bachelor's degree that requires a particular level of achievement.

<sup>27</sup> Young graduates are defined as: 21 years or under for Level 1-4 certificates; 23 years or under for Level 5-7 certificates/diplomas; 24 years or under for three-year bachelor's degrees (with each year of additional study requirement adding a year to the age cut-off for longer qualifications); 26 years or under for graduate certificates/diplomas, bachelor's with honours degrees, or postgraduate certificates/diplomas; 27 years or under for master's degrees, and 29 years or under for PhD students. The age of a graduate is based on their age as at 1 July of their last year of enrolment in a qualification.

Level 1-4 certificates are most likely to do further study, with around half continuing to study in the following year. Further study rates are also high for young graduates who complete Level 5-7 certificates/diplomas, with almost one-third of graduates continuing to study in the first year after completing their certificate/diploma.<sup>28</sup> This aligns with the intent and outcome of the International Education Strategy and High Value International Education Policy Statement.

31. The same research indicates that the percentage of young, international graduates who have left New Zealand in the first year after qualification completion is highest for those who complete a PhD degree at 54%, followed by bachelor's degree graduates at 45% and those who complete postgraduate qualifications at 33%. Those who complete graduate certificates/diplomas or below-degree-level qualifications are less likely to have left New Zealand in the first year after study, with only 10-23% doing so. Ten years after qualification completion, 61-69% of young, international graduates have left New Zealand at all qualification levels, except PhD graduates where 70-80% have left New Zealand.
32. Almost seven out of ten (67%) young, international graduates with a Level 5-7 certificate/diploma work in New Zealand in the first year after they complete their qualification. Employment rates are lower in later years with 27% of graduates with these qualifications still employed in New Zealand after 10 years.

**Young international graduates' destinations in the first 10 years after qualification completion<sup>29</sup>**



33. Employment rates are also high for those young graduates who complete a postgraduate qualification or Level 5-7 certificate/diploma, at 44% and 41% respectively in the first year after study. PhD graduates have an employment rate which is almost as high, at 39% in the first year after study. Similarly to those who complete a graduate certificate/diploma, rates are lower in later years with 30% or less working in New Zealand after six years.

## International students fund their studies from personal sources

34. International education is an export industry as it brings funds into New Zealand from overseas. As part of their visa application to study in New Zealand, international students are required to provide evidence of funds or sponsorship to fund their living costs along with evidence of the payment of tuition fees. New Zealand requires \$15,000 per year<sup>30</sup> for international students

<sup>28</sup> Ministry of Education (2017). [Young, international graduate outcomes - destinations.](#)

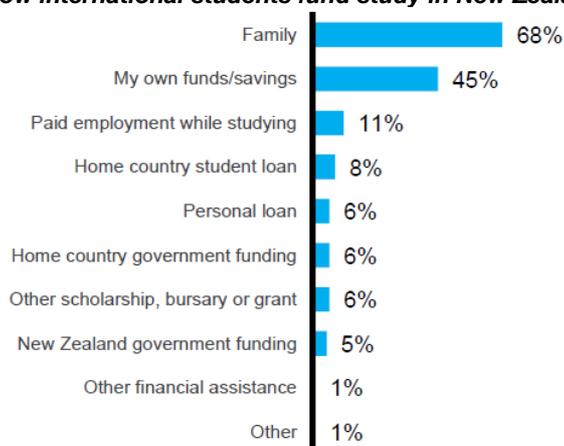
<sup>29</sup> Ministry of Education (2017). [Young, international graduate outcomes - destinations.](#)

<sup>30</sup> Or equivalent per month for the length of the student visa. <https://www.immigration.govt.nz/new-zealand-visas/apply-for-a-visa/criteria/full-fee-paying-student-visa>

coming to New Zealand (\$20,000 per year for international students coming as part of the two latest border exception classes).

35. International students often fund their study from multiple sources, but personal sources are the most common. More than two-thirds (68%) of international students received at least some funding from their families and 45% contributed funding themselves. Only 11% used paid employment in New Zealand to fund at least part of their studies, noting that the intention to work while studying cannot be used by international student prior to coming to New Zealand to show how the student plans to support themselves while in New Zealand.<sup>31</sup>

**How international students fund study in New Zealand<sup>32</sup>**



**Not all international students work in New Zealand**

36. The data used in the preliminary findings does not reflect the fact that not all international students can work in New Zealand. For example, ENZ disagrees with the commentary that indicates all permanent and long-term student arrivals between 2004-2020 worked while studying in New Zealand. The identification of *all* international students in the number of permanent and long-term arrivals who work in New Zealand is incorrect. In 2019, there were 22,337 permanent and long-term student arrivals, but simply based on age some student arrivals would be unable to work.

**Permanent and long-term student arrivals for the year to December 2019, by age group<sup>33</sup>**

	0-9 years	10-14 years	15-19 years	20-24 years	25-29 years	30-34 years	35-39 years	40 years and over
Number	3,742	2,737	4,290	5,431	3,303	1,471	832	531
%	17%	12%	19%	24%	15%	7%	4%	2%

37. In addition not all international students are granted work rights as part of their visa<sup>34</sup> and further, not all students granted the right to work while studying will work while in New Zealand. According to a Universities New Zealand report using the IDI, 73% of international students at Te Pūkenga work, 63% at private training establishments and 43% at universities were employed<sup>35</sup> for at least

<sup>31</sup> Nielsen. *International Student Experience Survey 2019*.

<sup>32</sup> Nielsen. *International Student Experience Survey 2019*.

<sup>33</sup> Statistics New Zealand, *Permanent and long-term arrivals by age, sex and visa type*, Annual (December 2020).

<sup>34</sup> Immigration New Zealand's [website](#) indicates the conditions where international student can be granted the ability to work while studying in New Zealand.

<sup>35</sup> Employed was defined as earning at least NZ\$1 in wages and salaries during 2019.

one hour in 2019.<sup>36</sup> International students at non-university institutions may be more likely to work while studying as a result of undertaking vocational education and training where there is a work experience or professional placement component to their study.

38. International students work more as they progressed through the year i.e. a higher proportion of students were working later in the year compared to the beginning of the year. However, international tertiary students work fewer hours on average per week (9-11 hours) compared to domestic tertiary students (10-13 hours).<sup>37</sup>
39. A Universities New Zealand report compared the number of jobs created in New Zealand by international education with the number of jobs that international students occupy. It found that approximately five full-time equivalent (FTE) jobs are created for every FTE job occupied.<sup>38</sup> These findings are consistent with Ministry of Business, Innovation and Employment research that found significant positive effects for youth<sup>39</sup> hires (direct and combined) and beneficiary<sup>40</sup> hires from international students. The research hypothesized that the effect on youth hires could be related to an increase in student migrants who are likely to have consumed services in industries where young people tend to work.<sup>41</sup>
40. Universities New Zealand research using the IDI<sup>42</sup> indicated that three industries account for the employment of 63% of international university students who work. The industries are:
- Accommodation and food services (32.6%)
  - Education and training (17.9%)
  - Retail trade (12.2%).
41. The in-study work rights for New Zealand and its competitors are attached in Annex 1.

### **Absorptive capacity of infrastructure and housing**

42. Pressure in the housing market has grown considerably across New Zealand over recent years. There is little evidence to suggest that international students are causing house prices or rents to rise.
43. Comparing five different regions of New Zealand (Canterbury, Otago, Auckland, Wellington and Bay of Plenty) over a seven year period from 2013 to 2019, the region with the biggest percentage increase in international student numbers (Canterbury, with a 71% increase in international students) showed the slowest increase in house prices (21%) and rental prices (just 2%).
44. Other regions with smaller increases in the number of international students had far more pressure on the housing market. This pressure has continued to increase dramatically since December 2019, while the number of international students in the country has significantly decreased over the same period, from approximately 60,000 at any given time in 2019 to approximately 19,000 currently.

<sup>36</sup> Universities New Zealand (2020). [Working while studying. Longitudinal trends 2009-2019.](#)

<sup>37</sup> Universities New Zealand (2021). [Are international students taking jobs from kiwis?](#)

<sup>38</sup> Universities New Zealand (2021). [Are international students taking jobs from kiwis?](#)

<sup>39</sup> New Zealanders aged 16 to 24 years.

<sup>40</sup> People who were in receipt of an income-tested benefit before gaining work.

<sup>41</sup> Ministry of Business, Innovation and Employment (2018). [Impact of Temporary Migration on Employment and Earnings of New Zealanders.](#)

<sup>42</sup> Universities New Zealand (2020). [Working while studying. Longitudinal trends 2009-2019.](#)

Region	International student numbers			Average house prices			Average rent		
	2013	2019	% change	2014 (Jan) <sup>43</sup>	2019 (Dec)	% change	2013 (Dec) <sup>44</sup>	2019 (Dec)	% change
Canterbury	7,854	13,419	71%	\$380,000	\$460,000	21%	\$361	\$367	2%
Otago	5,772	6,533	13%	\$310,000	\$531,500	71%	\$264	\$343	30%
Auckland	57,140	63,092	11%	\$570,000	\$886,000	55%	\$420	\$530	26%
Wellington	6,415	8,553	33%	\$370,000	\$685,000	85%	\$386	\$519	34%
Bay of Plenty	3,542	4,395	27%	\$369,000	\$635,000	72%	\$324	\$467	44%

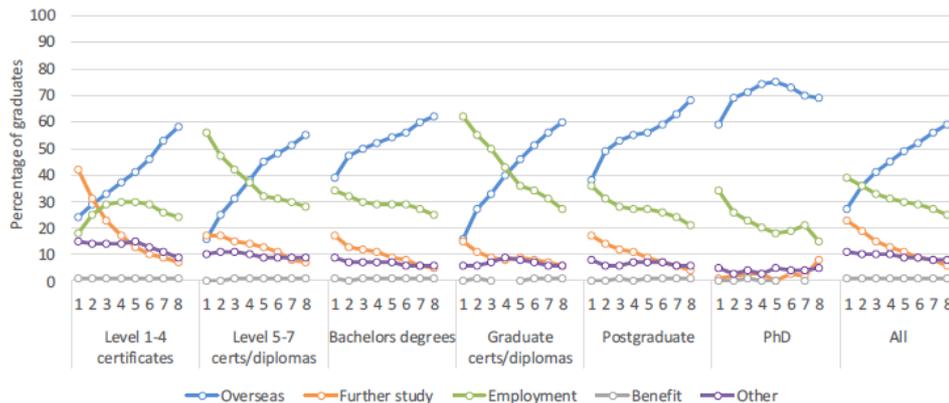
## Working after study in New Zealand

*"I plan to take the knowledge and the skills I've gained here in New Zealand back to Brazil and work to improve the water quality over there, not just for me or my children but for future generations."*

*Fabio, a student from Brazil<sup>45</sup>*

45. Evaluations of the outcomes of international students have been undertaken by the Ministry of Education using IDI<sup>46</sup> which looked at the outcomes of international students for the first eight years after study. It identified that 49% of all international graduates had left New Zealand five years after completing their qualification and 59% had left New Zealand after eight years.

### **Graduate destinations, by qualification level, for international tertiary graduates in the first eight years after qualification completion<sup>47</sup>**



46. Universities New Zealand research<sup>48</sup> indicated that the Census 2018 identified that the three top industries that employed international degree graduates were:
- Professional, scientific and technical services (20%)

<sup>43</sup> Retrieved from <https://www.interest.co.nz/charts/real-estate/median-price-reinz>

<sup>44</sup> Retrieved from <https://ecoprofile.infometrics.co.nz/new%20zealand/StandardOfLiving/RentalAffordability>  
<sup>45</sup> <https://www.studywithnewzealand.govt.nz/>

<sup>46</sup> Ministry of Education (2017). *Moving Places. Destinations and earnings of international graduates.*

<sup>47</sup> Ministry of Education (2017). *Moving Places. Destinations and earnings of international graduates.* Benefit refers to who are not classified in either the Overseas or Further study categories and who are on a benefit from the Ministry of Social Development for at least four months in a tax year and are not in employment for longer than this.

<sup>48</sup> Universities New Zealand (2021). *International degree graduates who stay in New Zealand.*

- Combined Mining, Construction, Electrical and Manufacturing (12%)
- Health Care and Social Assistance (10%).

47. The top industries for in-study and post-study work were quite different. For a comparison, the top industry that employed international university students who are working while studying was accommodation and food services which employed 32.6%. However, this industry was the seventh largest industry that employed international degree graduates (employing 7%) in the Census 2018.

48. The post-study work rights policies for New Zealand and its competitors are attached in Annex 1.

## Proposed Government policy interventions

49. ENZ queries what problem some of the proposed recommendations are seeking to address. A holistic and integrated approach should be used to identify and implement any policy lever to address any issues raised by the inquiry identify any new potential issues that could be created through any approach taken. Any policy proposals should also reflect existing Government's goals and objectives.

50. For international education, specifically international students, any policy levers should align with the *International Education Strategy 2018-2030* which sets out the Government's goal for international education of:

- Excellent education and student experience
- Sustainable growth
- Global citizens.

51. The three goals are intended to deliver the outcome of *A thriving and globally connected New Zealand through world-class international education*.

52. To support the achievement of the International Education Strategy, the Ministry of Education has been developing a High Value International Education Policy Statement. We would strongly recommend for this to be considered.

### Proposal to regularly develop and publish an immigration Government Policy Statement

53. An immigration Government Policy Statement should reflect existing policy drivers for international education, including the Government's International Education Strategy and High Value International Education Policy Statement.

### Proposal to undertake an evaluation of international students as a priority

54. ENZ disagrees with the recommendation that a priority for evaluation should be student work visas. Evaluations relating to international students have previously been undertaken and should be reviewed prior to undertaking further evaluation:

- *Moving Places: Destination and earnings of international graduates* report by the Ministry of Education in 2017 which looked at what international student graduates do after completing a qualification using the IDI. There were also later factsheets including *Young, international graduate outcomes - destinations*.
- *Working while studying* report by Universities New Zealand using the IDI to look at the employment patterns of domestic and international university students in 2019.
- *International degree graduates who stay in New Zealand* report by Universities New Zealand using the IDI to see how many international graduates use post-study work visas and how many transition into long-term work visas.

55. ENZ is also undertaking a broader impact valuation of international students which is due to be completed in early 2022.

**Potential capping the number of international students**

56. Not all international students have in-study work rights and any use of those rights should not drive a decision to limit the number and/or type of international students to come to New Zealand without understanding the broader benefits of international education as outlined in the International Education Strategy.

57. There are existing policy levers in the Strategic Recovery Plan for International Education that determine the flow of future students, for example the review of international primary and intermediate school enrolments, the review of sub-degree post-study work rights and development of the High Value International Education Policy Statement. They essentially play a role in limiting volume and no further controls should be placed until the full impact of these changes are known.

58. Any potential policy changes for international education should also be assessed for their impact on the international education industry as the industry seeks to recover from the significant impact of COVID-19 and New Zealand’s border closure.

59. International education delivers immediate and long term economic benefits, and increases New Zealand’s global connections, research links and partnerships. Any decision to “manage the allowable volume of temporary migrant visas with potential residence pathways should be managed to be compatible with the number of residence visas on offer” would need to reflect:

- the broader benefits delivered by international education
- international education is a globally competitive industry where New Zealand has low education brand preference and employability is a key driver of student decision making
- international students often undertake multiyear study in New Zealand and use funds from offshore to fund their study
- many students leave New Zealand after completing their studies and others leave within the first five years of completing their study.

**Conclusion**

60. International students coming to New Zealand support the achievement of the Government’s broader goals and objectives while forming part of an export industry. International students differ to the other temporary migrants included in the inquiry and many cannot or do not work while studying in New Zealand.

*“International education, if it’s a positive experience, contributes to the global good, as it opens hearts and minds and encourages tolerance.”*

*Caroline Bilkey, New Zealand’s Ambassador to Brazil in 2018<sup>49</sup>*

61. Any recommendations about international students should be focused on achieving the International Education Strategy 2018-2030 and support the Strategic Recovery Plan for International Education.

62. The ENZ Board would welcome the opportunity for the organisation to discuss the submission with you in January 2022.

<sup>49</sup> Research New Zealand (2018). *Beyond the Economic – How international education delivers broad value for New Zealand.*

## Annex 1: Work rights policies for New Zealand and its competitors

### In-study work rights for international students

<b>Australia</b> <sup>50</sup>	Up to 40 hours every two weeks while during terms. Unlimited hours during holiday breaks.
<b>Ireland</b> <sup>51</sup>	<b>With an immigration stamp 2 (English language, higher national diploma, bachelor's degree, Master's degree and PhD study)</b> Up to 20 hours per week during terms. Up to 40 hours per week during the months of June, July, August and September and from 15 December to 15 January inclusive.
<b>New Zealand</b> <sup>52</sup>	<b>Secondary school students</b> With school and parental permission, up to 20 hours a week during the school year, and full-time in the Christmas and New Year holiday if the student is 16 or older, and is studying in year 12 or 13. <b>English language students</b> Up to 20 hours per week for full-time study of at least 14 teaching weeks. <b>Tertiary students</b> Up to 20 hours per week with full-time study for 2 years, or 1 year where the student is part of an approved tertiary student exchange scheme, or results in a qualification which gains Skilled Migrant Category points. Full-time work during scheduled breaks for full-time study for full-time study of at least 1 year which is worth at least 120 credits and is delivered over at least 2 semesters. <b>Research Master's and PhD students</b> No restrictions on the hours of work for programmes awarded by a New Zealand tertiary institution.
<b>United Kingdom</b> <sup>53</sup>	<b>Independent secondary school students</b> Aged 16 or over, up to 10 hours per week during term and full-time during vacations <b>Tertiary study</b> Up to 10 hours per week during term for courses below degree level and up to 20 hours per week during term for degree level and above courses. Full-time during vacations.

### Post-study work rights for international students

<b>Australia</b> <sup>54</sup>	<b>Graduate work stream with skills and qualifications relevant to specific occupations that Australia needs</b> Usually up to 18 months, but temporarily increased to 24 months for visas granted from 1 December 2021. <b>Post-study work stream with a bachelor's degree, master's degree or PhD from an Australian institution</b> Between 2 and 4 years depending on the qualification.
<b>Ireland</b> <sup>55</sup>	<b>Non-European Union/European Economic Area students</b> 24 months after study at an Irish university, Dublin Institute of Technology, Royal College of Surgeons Ireland, Institutes of Technology, Quality and Qualifications Ireland. Up to 12 months with a Level 8 qualification on their National Framework of Qualifications.

<sup>50</sup> <https://www.studyaustralia.gov.au/english/live-in-australia/work>

<sup>51</sup> <https://www.educationinireland.com/en/living-in-ireland/while-you-re-in-ireland/working-in-ireland/>

<sup>52</sup> <https://www.immigration.govt.nz/new-zealand-visas/options/study/working-during-after-your-study/working-on-a-student-visa>

<sup>53</sup> <https://www.gov.uk/child-study-visa>

<sup>54</sup> <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-listing/temporary-graduate-485#>. Hong Kong and British National Overseas passport holders may stay for 5 years after completing study if they qualify for a Graduate work stream or post-study work stream visa.

<sup>55</sup> <https://www.educationinireland.com/en/living-in-ireland/while-you-re-in-ireland/working-in-ireland/>



<p><b>New Zealand</b><sup>56</sup></p>	<p><b>Study outside Auckland and completed the relevant qualification before 31 December 2021</b>          3 year post-study work visa with a Level 7 Bachelor's degree or higher.          2 year work visa with a Graduate Diploma or another Level 7 qualification, or a qualification at Level 4, 5 or 6 on the New Zealand Qualifications Framework.</p> <p><b>Study in Auckland and completed the relevant qualification before 31 December 2021 or study in New Zealand and completed the relevant qualification after 31 December 2021</b>          3 year post-study work visa with a Level 7 Bachelor's degree or higher.          1 year work visa with a Graduate Diploma or another Level 7 qualification, or a qualification at Level 4, 5 or 6 on the New Zealand Qualifications Framework.</p>
<p><b>United Kingdom</b><sup>57</sup></p>	<p><b>Bachelor's degree, postgraduate degree or other eligible course after studying in the UK for at least 12 months</b>          2 year Graduate visa.</p> <p><b>PhD or other doctoral qualification</b>          3 year Graduate visa</p>

<sup>56</sup> <https://www.immigration.govt.nz/new-zealand-visas/options/study/working-during-after-your-study/working-on-a-student-visa>

<sup>57</sup> <https://www.gov.uk/graduate-visa>