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Deputy Prime Minister, Attorney-General, Minister of Finance, Minister for Tertiary Education, Leader of the House



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Speech Notes

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Harnessing the potential for international education

Speech notes for the Opening of the Ministry of Education's Education Counsellors/Industry Forum, the Terrace Room, the Copthorne Plimmer Towers, Wellington.

Acknowledgements:

- Secretary for Education Karen Sewell
- Chief Executive of the Education New Zealand Trust Robert Stevens

I'm delighted to be able to open this forum.

The government sees international education as an essential part of our effort to a create a stronger, fairer New Zealand able to meet the challenges of a globalised world.

When I wear my hat as Finance Minister, I have to think about how New Zealand is going to prepare for the challenges we will face in the global economy.

We will depend on the quality of our international connections and our skills.

It is not entirely coincidental that I am both Finance Minister and Minister for Tertiary Education.

International education helps connect New Zealand to the world.

The flow of ideas and the relationships formed between people and institutions help to develop our own potential and grow our economy.

The industry is now our fourth largest export earner.

About 90,000 international students from 150 countries are currently studying here.

The flow goes the other way too, with our own students participating in short term international exchange programmes and studying overseas.

The importance of international education extends well beyond direct economic value as well.

When we attract students, teachers and researchers to New Zealand we can develop ongoing productive relationships with international businesses and universities.

We enrich our own knowledge about the world and maximise the potential of our people.

I outlined the government's goals for international education six months ago when I spoke at Education New Zealand's conference on international education:

- First, that New Zealand students are equipped to thrive in an inter-connected world;
- Second, that providers are strengthened academically and financially through international linkages;
- Third, that international students are enriched by their educational and living experiences in New Zealand; and
- Fourth, that the economic and social benefits to New Zealand from international education activities grow to their full potential.

Goals translate into real world experience, and if I peer into the future I can give you a hypothetical example of how our goals for international education might look for a New Zealand student tomorrow.

A typical year thirteen student in South Auckland in 2015 might be Pania.

She speaks Samoan at home, learned Spanish in years seven and eight and took up Chinese in year 9.

Pania has become good friends with a Chinese student in her class who has become her 'language buddy'.

Her maths teacher is here on a year long teacher exchange from the US.

He is planning to take back to the US a new learning approach which has been successful in NZ schools.

Pania's economics class is doing a joint on-line project with a German high school class where students develop a product and a marketing campaign.

Her sister is studying biotechnology at Auckland University and has just come back from a semester at the university's "partner" research institute in Chile which specialises in dairy product research.

Pania has good NCEA results and is thinking about studying computer science. But she has decided to spend a year overseas first.

She will probably take advantage of our working holiday schemes with more than twenty countries.

The example is hypothetical, but by no-means far-fetched.

By internationalising our education system Pania has routine access to the knowledge, skills, international experiences and opportunities she will need to thrive in a globalised world.

This is good for Pania, it's good for New Zealand and it's good for the countries we partner with around the world.

The government recognised some time ago that realising this future for Pania required a more strategic approach to international education.

The international education framework developed in 2004 was developed, for example, with a supporting package of measures in Budgets 2004 and 2005 totalling more than seventy million dollars over five years.

For example, the seven off-shore education counsellor positions were established, which I will have more to say about shortly.

Other measures included promotion and marketing in the sector, strengthening long-term partnerships with key countries and regions and support for our education organisations to develop their capability.

An international scholarship programme is proving a success with a twenty per cent increase in Ph.D student numbers.

These initiatives, of course, came as a result of the volatile experience of the sector in the early part of this decade.

International enrolments rose by 253 percent from 2000 to 2002 - the raw numbers were enormous, with an increase from 50,026 to 126,919.

As we know, the market then declined sharply.

We've seen that happen before, during the Asian financial crisis in 1997-99.

We also saw increased competition from other English-speaking countries and when some traditional source countries such as Malaysia and China expanded their own higher education places.

Many of the factors behind the fluctuation in numbers coming here are beyond our control.

The fluctuations partly highlight the need for normal business risk management, for example, in diversifying source countries.

But this is an active government and we do not leave our key industries to solve these issues alone.

The government is committed to supporting the sector to stabilise and rebuild international student enrolments, and to achieving sustainable growth.

We recognise the importance of the long-term benefits that international students bring to New Zealand.

They are both sources of talent and as potential advocates for New Zealand internationally.

They help us grow globally competitive firms and make our workplaces more innovative and productive.

And they contribute to our understanding of the world and therefore to our identity as New Zealanders.

The International Education Agenda 2007 – 2012 sets the vision for international education for the next five to ten years.

It is an ambitious programme of initiatives that builds on existing activities and policy.

The agenda is not just about bringing more international students here; it's also about the "internationalisation" of our education system, so that it gives every New Zealander - like Pania - skills and international experiences.

Our immediate priority is to consolidate and build a sound base for growth.

In the short term this means initially stabilising student numbers and then getting growth again, while maintaining the quality of the education we offer.

I recognise the industry is making headway on its strategy too.

I understand a review of the industry's strategy is planned for the first half of this year and I look forward to it.

The government is committed to working closely and co-operatively with the sector.

The next stage in the development of the government's International Education Agenda will be a discussion document and I will be seeking cabinet approval for that shortly.

The strategy will depend on building deeper and more sustainable education relationships.

Let me give you the example of our education relationship with China.

If we go back to 2003 at the third China: New Zealand Joint Working Group...Chinese education officials, media and the wider Chinese public viewed the quality and stability of our international education system negatively.

There was a strong feeling in China that New Zealand was focused only on the economic benefits accruing from bilateral education links.

These perceptions were by no means the only feature of our positive and developing bilateral relationship, but they started to become a prominent 'irritant'.

We didn't ignore the problem; we did a lot of work to strengthen and consolidate our systems and relationships - not just in China, but China was a major catalyst and focus of our efforts.

A very important role has been played by our education counsellors in turning around relationships since their appointment a year ago.

Locating an education counsellor in Beijing has helped to improve our education relationship at time when there was considerable pressure on it.

Indeed, there was genuine appreciation when we chose to post our first offshore counsellor to China.

Counsellors have since been valuable in building the links and understanding that will form a more sustainable and stable basis for the industry in future.

We are beginning to see a shared and renewed focus on bilateral education links at more senior academic levels.

We created a broader and more reciprocal education relationship with China, through initiatives such as scholarships.

We also worked to increase the Chinese government's understanding of New Zealand's education quality assurance mechanisms, particularly regarding private training establishments.

PTEs were the focus of negative perceptions that largely arose as a result of establishments not being differentiated.

We strengthened mechanisms such as fee protection and NZQA monitoring.

Karen Sewell, in her new role heading the Education Ministry, led a New Zealand delegation to Beijing where the Chinese government was asked to take a more differentiated approach to our PTEs.

The Chinese Ministry of Education agreed to list six New Zealand degree-conferring Private Training Establishments on their official Study Abroad website.

There are signs of further progress ahead.

Progress of this sort in turning around this valuable and important relationship requires a concerted process of relationship building.

The role of the education counsellor network is not to undertake direct marketing or recruitment, but to support these objectives by building long-term relationships.

They work with governments, educational policy bodies and key sector groups and institutions, to promote understanding of New Zealand's education system internationally.

Another example of education counsellor's work is the critical job of understanding and monitoring Europe under the Bologna Process, as well as reactions in the US and Asia to developments in Europe.

I know you have a full-day workshop on this issue tomorrow.

We have a lot of potential to gain both domestically and in our international education objectives as the 45 European countries move to harmonise their higher education systems under the Bologna Process.

There are potential benefits from aligning our own higher education system and facilitating more movement of students between universities here and in Europe.

But we need to be careful as well.

Alignment with the Bologna Process might help to get more recognition for our three year bachelor degrees in the US, but the US is retaining its current degree structure.

Asian countries may follow the United States rather than Europe and we will have to consider the impact on us.

Our counsellor for Europe advises her colleagues in Beijing, Washington, New Delhi and Kuala Lumpur who advise on their region's reaction.

Having counsellors on the ground in all these areas, watching developments there and exchanging information about it is essential to the development of our international education sector.

It helps us plan and respond to market changes.

Education diplomacy is an important part of the promotion of New Zealand as a high quality education destination.

It's distinct from marketing or student recruitment, which will not be as effective without the contribution our counsellors can make.

The education counsellors are part of a network.

They're linked in to government and institutional contacts in their regions, and agencies such as NZQA, NZ Trade & Enterprise, Education New Zealand, the Ministry of Foreign Affairs and Trade and our education providers.

Many schools and tertiary institutions already have well-established international linkages, often building on personal relationships and interests.

The challenge in future is for these linkages to be even more firmly set in a strategic framework that helps us achieve our goals for international education.

Partnership within the sector and with government is important.

Other countries see New Zealand education as one continuous system which offers good quality education and good pastoral care.

One part of the system failing can give the perception of the whole system failing.

The government's partnership with the sector to date has been successful.

I acknowledge the important role of the umbrella industry body Education New Zealand.

If we are to achieve the agenda goals for international education we will need to continue this partnership and we will need the whole of government to continue to contribute across all the many agencies involved.

It involves at least MFAT, MoRST, DoL, NZTE, TEC, NZQA and NZAID.

We have strong foundations to build from.

At its best our education system is world-class; New Zealand ranks among the best in the world in terms of achievement of 15-year-olds.

Over half our universities are ranked in the world's top 500.

Our schools and tertiary providers produce independent thinkers who regularly excel in international competitions such as the "Future Problem-Solving Competition".

Only last week a student at Westlake in Auckland topped the world in three subjects in the Cambridge International Exam.

New Zealand has a world-class education system.

It will be strengthened still further as we build international perspectives and dimensions and further equip New Zealand students to thrive in a globalised world.

To everyone present who plays a role in that, I acknowledge the contribution you're making.

And I look forward to continuing our work to build our international education system further.

Thank you.