

Reference: 20230293

08 August 2023

Delia Mason  
fyi-request-23001-07d00899@requests.fyi.org.nz

Dear Delia

Thank you for your Official Information Act request, received on 4 June 2023. You requested the following:

*Please provide copies of all advice you provided to Ministers in 2020-2022 about whether Universities should be eligible to receive the COVID-19 wage subsidy or any financial support to assist Universities during the pandemic.*

*Please provide copies of all advice you provided to Ministers in 2020-2022 about the funding of universities, including the impact of drops in the number of international students.*

### Context for tertiary sector funding

Several documents released in this request relate to overall tertiary sector funding Budget initiatives such as tertiary subsidy cost adjustments or tertiary enrolment advice. The funding for these initiatives is not allocated solely to universities, however, these funding sources make up a large portion of the funding universities receive from the Government. Allocations are made across the sector to all Tertiary education providers. The amount an individual university or provider receives can be found in the relevant organisation's annual report or via the Tertiary Education Commission's website.

### Information being released

Please find enclosed the following documents:

| Item | Date         | Document Description   | Decision                  |
|------|--------------|--|---------------------------|
| 1.   | 02 July 2021 | Email - RE: Cabinet Papers for Consultation - Noting Cabinet paper - Additional discretion for the Tertiary Education Commission<br><br><i>Note that this advice relates to a draft paper and preliminary proposal. Recent Cabinet decisions have superseded this previous proposal. Details of this Cabinet decision will be released by the Ministry of Education shortly.</i> | Release relevant sections |

|    |                  |   |                           |
|----|------------------|---|---------------------------|
| 2. | 13 July 2021     | Email - RE: re ROB 2032 - FW: PRE-CONSULTATION: Noting Cabinet paper - Additional discretion for the Tertiary Education Commission<br><br><i>Note that this advice relates to a draft paper and preliminary proposal. Recent Cabinet decisions have superseded this previous proposal. Details of this Cabinet decision will be released by the Ministry of Education shortly.</i>  | Release relevant sections |
| 3. | 30 November 2021 | Email - Cabinet Papers for Consultation – Managing Apprenticeship Boost Initiative, Mana in Mahi, and Tertiary Education Funding Pressures<br><br><i>Note that this briefing relates to a paper found here: <a href="https://assets.education.govt.nz/public/Documents/our-work/information-releases/Issue-Specific-release/Budget-2022/08a.-Managing-Apprenticeship-Boost-Initiative_Redacted.pdf">https://assets.education.govt.nz/public/Documents/our-work/information-releases/Issue-Specific-release/Budget-2022/08a.-Managing-Apprenticeship-Boost-Initiative_Redacted.pdf</a></i> | Release relevant sections |

The following documents have previously been released. Please find enclosed excerpts relevant to your request which were previously withheld. The page number the excerpt relates to and a link the relevant previous release can be found below:

| Item | Date             | Document Description   | Previous Release  | Decision                                      |
|------|------------------|--|---|---|
| 4.   | 19 February 2020 | Treasury Report T2020/327: Proposed Budget 2020 Education Package  | <a href="https://www.treasury.govt.nz/sites/default/files/2020-07/b20-t2020-327-4241721.pdf">https://www.treasury.govt.nz/sites/default/files/2020-07/b20-t2020-327-4241721.pdf</a>   | Release previously withheld excerpt – Page 5  |
| 5.   | 24 June 2020     | Budget Ministers' meeting COVID-19 Response and Recovery Fund (CRRF) – Round 2   | <a href="https://www.treasury.govt.nz/sites/default/files/2020-08/b20-budget-ministers-meeting-slides-24jun20-4298422.pdf">https://www.treasury.govt.nz/sites/default/files/2020-08/b20-budget-ministers-meeting-slides-24jun20-4298422.pdf</a> | Release previously withheld excerpt – Page 4  |
| 6.   | 16 March 2022    | Treasury Report T2022/601: Draft Budget Ministers 5 material - 16 March 2022 - Budget 2022 Information Release<br><br><i>Note that the cost adjustment figures shown in this excerpt were not final. The final approved at Budget was 2.75%.</i> | <a href="https://www.treasury.govt.nz/sites/default/files/2022-09/b22-t2022-601-4626658.pdf">https://www.treasury.govt.nz/sites/default/files/2022-09/b22-t2022-601-4626658.pdf</a>   | Release previously withheld excerpt – Page 7  |
| 7.   | 25 February 2022 | Budget Ministers' Materials: Budget Ministers 3 Slides - Budget 2022 - Wellbeing Analysis Final  | <a href="https://www.treasury.govt.nz/sites/default/files/2021-08/b21-t2020-3762-4385458.pdf">https://www.treasury.govt.nz/sites/default/files/2021-08/b21-t2020-3762-4385458.pdf</a>   | Release previously withheld excerpt – Page 31 |
| 8.   | 4 March 2022     | Treasury Report: Budget 2022: Revised Education Package  | <a href="https://www.treasury.govt.nz/sites/default/files/2022-09/b22-t2022-453-4622296.pdf">https://www.treasury.govt.nz/sites/default/files/2022-09/b22-t2022-453-4622296.pdf</a>   | Release previously withheld excerpt – Page 6  |

|     |               |  |   |   |
|-----|---------------|--|---|---|
| 9.  | 09 March 2022 | Budget Ministers 4 - Revised Budget 2022 Package<br><br><i>Note that the cost adjustment figures shown in this excerpt were not final. The final approved at Budget was \$266.895m.</i>  | <a href="https://www.treasury.govt.nz/sites/default/files/2022-09/b22-budget-min-four-slide-4619044.pdf">https://www.treasury.govt.nz/sites/default/files/2022-09/b22-budget-min-four-slide-4619044.pdf</a> | Release previously withheld excerpt – page 13 |
| 10. | 22 March 2022 | Budget Ministers' Materials: Budget Ministers 5 Slides - 22 March 2022<br><br><i>Note that the figures in this excerpt are non-final. Final amounts agreed at Budget for these initiatives can be found here:</i><br><a href="https://www.treasury.govt.nz/sites/default/files/2022-09/b22-frs-educ-tech-4641357.pdf">https://www.treasury.govt.nz/sites/default/files/2022-09/b22-frs-educ-tech-4641357.pdf</a> | <a href="https://www.treasury.govt.nz/sites/default/files/2022-09/b22-budget-min-five-slide-4623151.pdf">https://www.treasury.govt.nz/sites/default/files/2022-09/b22-budget-min-five-slide-4623151.pdf</a> | Release previously withheld excerpt – page 12 |

I have decided to release the relevant parts of the documents listed above, subject to information being withheld under one or more of the following sections of the Official Information Act, as applicable:

- direct dial phone numbers of officials, under section 9(2)(k) – to prevent the disclosure of information for improper gain or improper advantage.

Direct dial phone numbers of officials have been redacted under section 9(2)(k) in order to reduce the possibility of staff being exposed to phishing, social engineering and other scams. This is because information released under the OIA may end up in the public domain, for example, on websites including Treasury's website. Some information has been redacted because it is not covered by the scope of your request. This is because the documents include matters outside your specific request.

### Information publicly available

The following information is also covered by your request and is publicly available on the Treasury, Covid-19, Budget, Ministry of Education, or Interest website:

| Item | Date          | Document Description   | Website Address   |
|------|---------------|--|---|
| 11.  | 17 April 2020 | Clarification on eligibility for the COVID-19 wage subsidy and leave schemes (the Schemes) and the implementation approach | <a href="https://www.treasury.govt.nz/sites/default/files/2020-07/b20-t2020-327-4241721.pdf">https://www.treasury.govt.nz/sites/default/files/2020-07/b20-t2020-327-4241721.pdf</a> |

|     |                  |  |   |
|-----|------------------|--|---|
| 12. | 22 April 2020    | Addendum to TR2020/912 - Clarification on eligibility for the current COVID-19 wage subsidy scheme               | <a href="https://covid19.govt.nz/assets/Proactive-Releases/proactive-release-2020-june/Report-Addendum-Clarification-on-eligibility-for-the-current-COVID-19-wage-subsidy-and-leave-schemes-the-Schemes-and-the-implementation-approach.pdf">https://covid19.govt.nz/assets/Proactive-Releases/proactive-release-2020-june/Report-Addendum-Clarification-on-eligibility-for-the-current-COVID-19-wage-subsidy-and-leave-schemes-the-Schemes-and-the-implementation-approach.pdf</a> |
| 13. | 28 May 2020      | Treasury Report: Impact of Covid -19 on Tertiary Education Organisations   | <a href="http://www.interest.co.nz/sites/default/files/embedded_images/OIA%20QE%20v%20MF.pdf">www.interest.co.nz/sites/default/files/embedded_images/OIA%20QE%20v%20MF.pdf</a>  |
| 14. | 11 February 2021 | Treasury Report T2022/117: Budget 2022 Bilateral: Hon Chris Hipkins (Education and COVID-19 Response Portfolios) | <a href="https://www.treasury.govt.nz/sites/default/files/2022-09/b22-t2022-117-4612852.pdf">https://www.treasury.govt.nz/sites/default/files/2022-09/b22-t2022-117-4612852.pdf</a>   |
| 15. | 26 March 2021    | Joint Education & Treasury Report: Managing increased demand for tertiary education and training                 | <a href="https://assets.education.govt.nz/public/Documents/our-work/information-releases/Issue-Specific-release-School-Building-Performance/Budget-21/R-58.-1254678_Redacted.pdf">https://assets.education.govt.nz/public/Documents/our-work/information-releases/Issue-Specific-release-School-Building-Performance/Budget-21/R-58.-1254678_Redacted.pdf</a>   |
| 16. | 17 February 2023 | Treasury Report: Budget 2023 Bilateral: Education Annex B - Submitted Initiatives                                | <a href="https://budget.govt.nz/information-release/2023/pdf/b23-educ-sib-initi-4761633.pdf">https://budget.govt.nz/information-release/2023/pdf/b23-educ-sib-initi-4761633.pdf</a>   |
| 17. | 17 February 2023 | Budget 2023 Bilateral: Hon Jan Tinetti (Education)   | <a href="https://budget.govt.nz/information-release/2023/pdf/b23-t2023-146-4746413.pdf">https://budget.govt.nz/information-release/2023/pdf/b23-t2023-146-4746413.pdf</a>   |

Accordingly, I have refused your request for the documents listed in the above table under section 18(d) of the Official Information Act:

- the information requested is or will soon be publicly available.

Some information has also been removed from documents listed in the above table as we believe this information is either out of scope of this request or should continue to be withheld under the Official Information Act, on the grounds described in the documents.

In making my decision, I have considered the public interest considerations in section 9(1) of the Official Information Act.

Please note that this letter (with your personal details removed) and enclosed documents may be published on the Treasury website.

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

Laura King  
**Manager, Communities, Learning and Work**

# TOIA 20230293

## Table Of Contents

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|    |   |   |
|----|---|---|
| 1. | <a href="#"><u>Cabinet Papers for Consultation - Managing Apprenticeship Boost Initiative, Mana in Mahi, and Tertiary Education Funding Pressures</u></a> | 1 |
| 2. | <a href="#"><u>RE re ROB 2032 - FW PRE-CONSULTATION Noting Cabinet paper - Additional discretion for the Tertiary Education Commission</u></a>            | 3 |
| 3. | <a href="#"><u>RE Cabinet Papers for Consultation - Noting Cabinet paper - Additional discretion for the Tertiary Education Commission</u></a>            | 6 |
| 4. | <a href="#"><u>Excerpt from - Budget Ministers' Materials</u></a>   | 7 |

**From:** [Elliot Quitales \[TSY\]](#)  
**To:** [^parliament: Udayan Mukherjee](#)  
**Cc:** [@AMoFSecondees](#); [Naomi Bennett \[TSY\]](#); [Thomas Parry \[TSY\]](#); [Ivan Esler \[TSY\]](#)  
**Subject:** Cabinet Papers for Consultation - Managing Apprenticeship Boost Initiative, Mana in Mahi, and Tertiary Education Funding Pressures  
**Date:** Tuesday, 30 November 2021 4:56:00 pm  
**Attachments:** [image001.png](#)  
[MINISTERIAL CONSULTATION SWC paper - Managing Apprenticeship Boost Initiative Mana in Mahi and Tertiary Education Funding Pressures.msg](#)

[IN-CONFIDENCE]

Kia ora Udayan,

Please find our advice on this paper below:

|                            |   |
|----------------------------|---|
| <b>Title of paper</b>      | <b>Managing Apprenticeship Boost Initiative, Mana in Mahi, and Tertiary Education Funding Pressures</b>   |
| <b>Minister and agency</b> | Hon Chris Hipkins, Ministry of Education  |
| <b>Description</b>         | This paper seeks agreement on how to manage funding pressures relating to three COVID-19 Response and Recovery Fund initiatives: the Apprenticeship Boost Initiative (ABI), Mana in Mahi (MiM), and Meeting Increased Learner Need for Tertiary Education. This paper also seeks agreement to provide people who were granted refugee/protected person status whilst already living in New Zealand with access to the same of student support for as other refugee groups who were granted that status <i>prior</i> to arriving in New Zealand.   |
| <b>Comments</b>            | <p>Out of Scope</p> <p><u>Addressing shortfalls related to Increased Learner Need for Tertiary Education through underspend of Fees Free</u></p> <p>Our long standing preference has been for Fees Free underspends to be returned to the centre to allow reprioritisation across all initiatives. However, whilst Treasury has been generally cautious about the Ministry's previous proposals to transfer Fees Free underspends, we recognise that there are genuine demand pressures over the next few years and that funding options need to be considered if Government wants to fund these additional volume pressures. It is timely to consider this at the beginning of the Budget process. As such, we are tentatively supportive of the proposal for Cabinet to provide</p> |

|                                       |  |
|---------------------------------------|--|
|                                       | joint-ministerial authority to transfer Fees Free underspends to fund 2022 demand pressures early in 2022, while we are still finalising our advice around the education Budget package. |
| <b>Consulting Minister's due date</b> | 1 December 2021  |
| <b>Cabinet or Cabinet Committee</b>   | SWC, 8 December 2021   |
| <b>Fiscal implications</b>            | Out of Scope   |
| <b>Recommended action</b>             | <b>Support:</b> Treasury recommends that you support this paper. Out of Scope  |

Ngā mihi nui,



**Ramon Quitales (he/him) | Communities, Learning and Work | Te Tai Ōhanga – The Treasury**  
s9(2)(k) | Email/IM: [Ramon.Quitales@treasury.govt.nz](mailto:Ramon.Quitales@treasury.govt.nz)

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**From:** [Elliot Quitales \[TSY\]](#)  
**To:** [^Parliament: Paul Young](#)  
**Cc:** [Naomi Bennett \[TSY\]; Nick Carroll \[TSY\]](#)  
**Subject:** RE: re ROB 2032 - FW: PRE-CONSULTATION: Noting Cabinet paper - Additional discretion for the Tertiary Education Commission  
**Date:** Tuesday, 13 July 2021 11:01:00 am  
**Attachments:** [image001.png](#)  
[FW Cabinet Papers for Consultation - Noting Cabinet paper - Additional discretion for the Tertiary Education Commission.msg](#)

[IN-CONFIDENCE]

Kia ora Paul,

Overall, we're still cautious about this but we're comfortable with it going to consultation to get sector input. We also heard that PMO had advised that the paper didn't need to go to Cabinet, but I have still prepared a briefing on it in case it still did:

|  |
|--|
| <p><b>Additional Discretion for the Tertiary Education Commission</b><br/> Hon Chris Hipkins, Minister of Education<br/> Treasury contact: Ramon Quitales s9(2)(k) [redacted]<br/> Sign out contact: Nick Carroll s9(2)(k) [redacted]</p>  |
| <p><b>Description:</b> This paper informs Cabinet that the Ministry will be conducting targeted consultation on a proposal to give the Tertiary Education Commission (TEC) additional discretion to invest in discretionary projects over a small portion (up to 1% or ~\$23 million) of existing volume-based funding for tertiary education provision.</p>   |
| <p><b>Comments:</b> The proposal would enable the TEC to support discretionary projects such as innovative delivery models and learning support methods in an effort to contribute to the Government's strategic goals for tertiary education.<br/> However, at a time like the present when there is high demand for tertiary enrolments, funding discretionary projects would need to be traded off against funded enrolments. Reducing volume-based funding at a time when domestic tertiary enrolments have significantly increased may lead to TEC seeking further financial assistance from the Crown or reducing the number of funded tertiary enrolments. The Treasury supports the proposal going to consultation to get the views of the sector, and will continue working with the Ministry of Education to fully understand the proposal's wider implications.</p> |
| <p><b>Treasury Recommendation: Support</b></p>   |
| <p><b>Fiscal Implications</b><br/> The proposal going to consultation in of itself does not have direct fiscal implications. However, if the proposal in the paper is implemented, TEC may seek future Crown assistance to avoid reducing the number of funded tertiary enrolments. The assistance sought may be up to 1% (~\$23 million) of the 'Tertiary Education: Student Achievement Component' MCA category in Vote Tertiary Education.</p>  |

You may also recall that my email from the 2<sup>nd</sup> of July has some further points that we were still working with MoE on. We're looking to meet with them again this week to discuss these further, and I have attached the 2<sup>nd</sup> of July email for easy reference (if helpful).

As usual, please let me know if there are any further questions about any of the above.

Ngā mihi nui,



**Ramon Quitales (he/him) | Communities, Learning and Work | Te Tai Ōhanga – The Treasury**

s9(2)(k) | Email/IM: [Ramon.Quitales@treasury.govt.nz](mailto:Ramon.Quitales@treasury.govt.nz)


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Out of scope

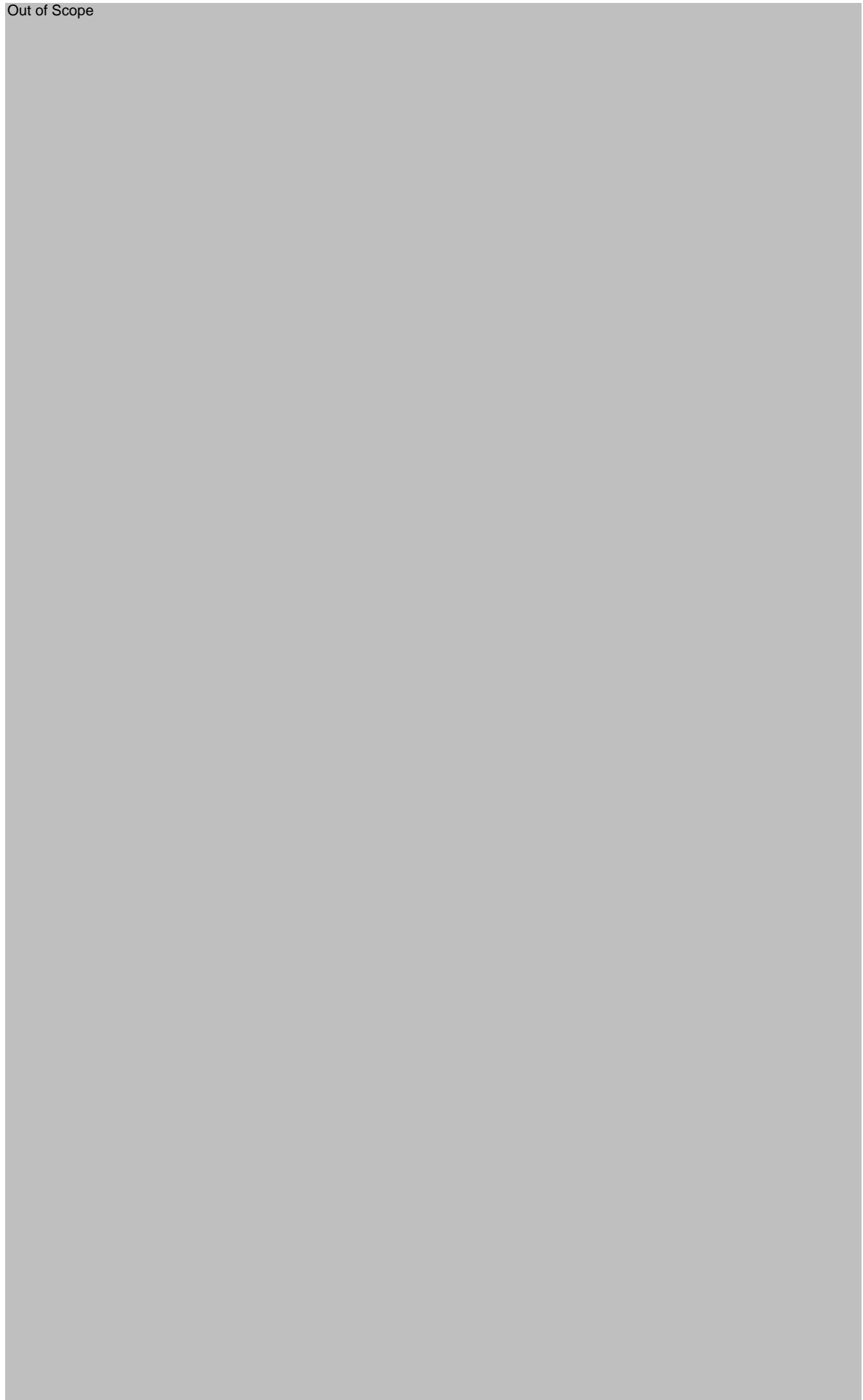




Out of Scope



Out of Scope



**From:** [Elliot Quitales \[TSY\]](#)  
**To:** [^Parliment: Paul Young](#)  
**Cc:** [Nick Carroll \[TSY\]](#); [Naomi Bennett \[TSY\]](#)  
**Subject:** RE: Cabinet Papers for Consultation - Noting Cabinet paper - Additional discretion for the Tertiary Education Commission  
**Date:** Friday, 2 July 2021 2:05:00 pm  
**Attachments:** [image001.png](#)  
[image002.png](#)

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Kia ora Paul,

Here are my *preliminary* thoughts on the paper, noting that Minister Hipkins’ office has pushed the paper back a little bit and that elements of the proposal may change before it goes to Cabinet:

- Our main concern is the cut that would be made to volume-based funding (up to 1% or ~\$23 million) in a high-demand environment to enable these discretionary projects. The proposal envisions lower allocations to focus on lowest value enrolments, but we don’t yet exactly know from MoE what enrolment types would be considered lowest value. We’re already seeing Massey University [cutting off new domestic student enrolments](#), and the proposal will be adding more pressure on volume-based funding when there is already strong demand pressures caused by the pandemic;
- If this proposal were to go ahead, it would reduce the amount of volume-based funding, which could then result in further deficits – will there be any mitigations around the risk that TEC might seek additional Crown funding for this down the line?
- We are already in discussion with MoE to figure out clearer guidelines on the *bounds* of what these discretionary projects could be; and
- The proposal could place a lot of extra pressure on the TEC (in addition to the status quo) to balance high value discretionary projects with limiting enrolments; we would want to ensure that the TEC has the capacity and planning in place to give effect to the proposal in a way that achieves the best outcomes.

Overall, there are a few things to be worked through, and feedback from wider consultation may help MoE work through some of these issues (especially my concerns in the last two bullet points above).

s9(2)(g)(i) [Redacted]

Ngā mihi nui,



**Ramon Quitales** ([he/him](#)) | **Skills & Work** | **Te Tai Ōhanga – The Treasury**

s9(2)(k) | Email/IM: [xxxxx.xxxxxxxx@xxxxxxx.xxx.xx](mailto:xxxxx.xxxxxxxx@xxxxxxx.xxx.xx)

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Out of Scope [Redacted]

Excerpt from: Budget Ministers' Materials: Budget Ministers 3 Slides - Budget 2022 - Wellbeing Analysis Final – page 31

|   |        |       |       |
|---|--------|-------|-------|
| Cost Adjustment to Tertiary Tuition and Training Subsidies (\$195m operating) | Yellow | Green | Green |
|---|--------|-------|-------|

<https://www.treasury.govt.nz/sites/default/files/2022-09/b22-budget-min-three-welb-4611267.pdf>

Excerpt from: Budget Ministers' Materials: Budget Ministers 4 Slide – pg 13

|  |                  |   |   |   |   |
|--|------------------|---|---|---|---|
| Cost Adjustment to Tertiary Tuition and Training Subsidies | \$281m operating | 3 | 5 | 5 | Tertiary providers are better positioned to absorb rising costs than schools and early learning services. |
|--|------------------|---|---|---|---|

<https://www.treasury.govt.nz/sites/default/files/2022-09/b22-budget-min-four-slide-4619044.pdf>

Excerpt from: Treasury Report T2022/601: Draft Budget Ministers 5 material - 16  
March 2022 - Budget 2022 Information Release – pg 7

- Reduce cost adjustments for ECE, school and tertiary funding. The BM5 package currently provides for adjustments of 2.9%, but these could theoretically be scaled to any level. For example, providing a 1.3% adjustment would reduce the package by \$100 million per annum.

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<https://www.treasury.govt.nz/sites/default/files/2022-09/b22-t2022-601-4626658.pdf>

Excerpt from: Budget Ministers' Materials: Budget Ministers 5 Slides - 22 March 2022  
- Budget 2022 Information Release – pg 12

**Overview of changes since BM4**

- Scaled Pay Parity in Early Learning <sup>Out of Scope</sup>
- Cost adjustments scaled from 2.9% to 2.8% (-\$22 million)
- Scaled tertiary demand due to updated forecasts (-\$49 million)
- I am also considering whether to re-include the Māori Medium Property initiative (\$35 million operating, \$191 million capital)

<https://www.treasury.govt.nz/sites/default/files/2022-09/b22-budget-min-five-slide-4623151.pdf>

Excerpt from: Budget Ministers' Materials: COVID-19 Response and Recovery Fund (CRRF) – Round 2 – Page 4

|                    |       |   |
|--------------------|-------|---|
| Tertiary Education | 6.610 | - |
|--------------------|-------|---|

<https://www.treasury.govt.nz/sites/default/files/2020-08/b20-budget-ministers-meeting-slides-24jun20-4298422.pdf>



Excerpt from: Treasury Report: Budget 2022: Revised Education Package, Page 6

**Scaling Area B: Reduce cost adjustments by up to 0.6% (from 2.9% to 2.3%)**

15. While you have asked Minister Hipkins to submit a revised package that includes cost adjustments of 2.9% for schools<sup>1</sup>, early learning services, and tertiary subsidies, you retain the option to reduce these adjustments to 2.3% and bring the revised package below \$2 billion. 2.3% is still an increase over Minister Hipkins' original December submission seeking 2% increases.

<https://www.treasury.govt.nz/sites/default/files/2022-09/b22-t2022-453-4622296.pdf>

## Excerpt from: Treasury Report: Proposed Budget 2020 Education Package – Page 5

6. The proposed package includes the items you requested, namely:
  - **Cost adjustments (\$417m<sup>1</sup>)** – the proposed package includes 1.8% cost adjustments for ECE subsidies, Schools Operations Grants, Trades Academies funding, and Tertiary Education subsidies. Setting the adjustments at 1.8% would match last year's Budget increase, which was broadly based on CPI inflation. As at HYEPU, CPI inflation was 1.7% for 2019, and forecast to be 1.9% for 2020. Preliminary BEFU forecasts will be available around mid-March. Tagging adjustments to the preliminary BEFU forecasts could increase or decrease the total costs of these bids.

<https://www.treasury.govt.nz/sites/default/files/2022-09/b22-t2021-2732-4558265.pdf>