

Submission to the Ministry of Education on the:

Draft Tertiary Education Strategy

Submitted by the New Zealand Council of Trade Unions Te Kauae Kaimahi

30 September 2025



This submission is made on behalf of the 32 unions affiliated to the New Zealand Council of Trade Unions Te Kauae Kaimahi (NZCTU). With over 340,000 union members, the NZCTU is one of the largest democratic organisations in New Zealand.

The NZCTU acknowledges Te Tiriti o Waitangi as the founding document of Aotearoa New Zealand and formally acknowledges this through Te Rūnanga o Ngā Kaimahi Māori o Aotearoa (Te Rūnanga), the Māori arm of Te Kauae Kaimahi (NZCTU), which represents approximately 60,000 Māori workers.

Introduction

- 1. The NZCTU welcomes the opportunity to comment on the draft Tertiary Education Strategy (TES). Our submission focuses on the high-level objectives of the draft strategy. We endorse the recommendations set out in the submissions provided by our affiliated trade unions.
- 2. Our two central recommendations are:
 - The final TES needs to reflect a more balanced and well-rounded understanding of the value of tertiary education.
 - The final TES needs to include the delivery of good work for tertiary education staff as a core priority.

The overarching objective of the TES

- 3. The NZCTU understands the importance of tertiary education as a driver of economic outcomes and agrees tertiary education needs to provide people with the skills needed to succeed in the world of work.
- 4. However, the draft strategy is unbalanced. The TES is clearly subordinated to the overarching objective of economic growth. As such, the actions identified in the TES are geared towards maximising the economic returns provided by tertiary education. This is clear on pages 21–23, where all the "key success measures" are economic in focus.
- 5. In this framing, tertiary education is understood primarily as a mechanism for training people to be productive workers, and research at tertiary institutions is understood to be primarily about making scientific discoveries that can be commercialised.
- 6. We are concerned by this narrow view of the value of tertiary education. Tertiary education plays a range of other, equally important roles in supporting cultural, social, political, and environmental development. This includes supporting informed public debate and democratic engagement for example, universities are legislatively required to act as "critic and conscience of society". It also includes the production of arts and the development of cultural understanding and connection, which are key to social cohesion and wellbeing.

- 7. Ensuring the tertiary system can fulfil this broad role has perhaps never been more important. We are living in a period characterised by declining trust in democratic institutions, increasing inequality of wealth, rapid and destabilising technological change, and the increasingly real impacts of a changing climate. We cannot simply "grow" our way out of these challenges. To tackle them as a society requires social cohesion, an educated citizenry, and an active public sphere in which ideas can be debated and new ideas and art forms can be explored.
- 8. The NZCTU therefore recommends that the final TES reflects a more balanced and well-rounded understanding of the value of tertiary education.

Tertiary staff

- 9. Tertiary staff have been under pressure for many years now. The environment has been one of shrinking resources, the casualization of employment, and excessive workloads. In addition, more students are coming to university without the necessary level of prior skills, often because of economic disadvantage. This further intensifies the pressure that tertiary staff are under.
- 10. Staff in the vocational sector have experienced high levels of disruption over the past five years due to the reform of vocational education and its subsequent unwinding by the current government. This disruption will be ongoing for several more years at least. This is not a sustainable way to run the sector. Many staff are experiencing burnout and low morale as a result.
- 11. These factors negatively undermine educational quality and achievement. It is therefore essential the final TES recognises that stable, secure, and well-resourced staffing is a necessary condition for achieving the objectives of the strategy, particularly achievement (priority 1) and economic impact and innovation (priority 2). The TES needs to set out a high-level plan for achieving good work for tertiary education staff across the sector. This is missing from the draft.

Stable funding

12. The draft TES cites "fiscal constraints" as a systemic pressure confronting the tertiary sector. However, it's important to understand these constraints are the result of political, not economic dynamics – i.e., the government has deliberately narrowed its fiscal space to meet arbitrary debt and expenditure targets. The reality is that government could choose to take a different approach to its fiscal and economic management – for example, by increasing tax revenue to provide more resources into tertiary education. "Fiscal constraints" should therefore not be framed as a structural pressure on the tertiary sector – this is misleading.

Priority 1: Achievement

- 13. The NZCTU agrees that student achievement is a fundamental goal of tertiary education. However, we are concerned the directive to align tertiary achievement and labour market outcomes in programme design and the tracking of outcomes is too narrow to be applied across the tertiary system. Gaining employable skills is of course an important part of tertiary study. But it is only one aspect of the value of tertiary education. In addition, some fields of study are less directly vocational than others i.e., gaining employable skills is not their only goal. Thus, aligning tertiary achievement and labour market outcomes makes most sense in vocational education, but is not necessarily a very useful objective for many university-level courses of study.
- 14. We therefore recommend that, in addition to qualification completion and job attainment, achievement is also measured in terms of academic progress and the development of students' intellectual, civic, and cultural capabilities.
- 15. The TES glosses over important socioeconomic factors that negatively affect achievement rates. For example, many students experience economic precarity while in tertiary education. Those students whose parents can't support them financially often have to work long hours to earn rent, food, and electricity money; this makes it hard for them to succeed academically.
- 16. For the purposes of the TES, these barriers can be reduced through greater provision of financial support for students. At a broader level, these barriers will only be eliminated if the government moves to meaningfully tackle poverty and persistent disadvantage at its root; however, we recognise this is probably outside the scope of the TES itself.

Priority 2: Economic impact and innovation

- 17. The draft TES appears to strongly favour applied research, due to its direct ability to be commercialised. Applied research is certainly important and the NZCTU supports initiatives to lift R&D in New Zealand.
- 18. However, a balance needs to be maintained between basic and applied research. Applied research necessarily builds on the findings of basic research. Neglecting to foster basic research would effectively cut off a crucial link in the research pipeline.
- 19. In addition, it's important to note that commercialisation is only possible in some fields of study – mostly the STEM areas. An overly zealous approach to boosting research commercialisation would risk leaving non-STEM areas behind.
- 20. The draft TES notes that greater "employer, industry, and iwi input into programme design and delivery" is desirable, particularly for vocational education. It is critical that workers and their representatives in trade unions are understood to be part of industry in this respect.

- 21. While employers have important information about how well aligned vocational education is with the needs of their firm or industry, this information is incomplete. Workers hold equally valuable information for example, regarding how well a tertiary course of study prepares them for a job, barriers to achievement they may encounter, and where there may be misalignment between theory and practice.
- 22. The NZCTU recommends that the ISBs should therefore be mandated to engage with workers and the ISB boards should include representation from trade unions in the industries they cover. In addition, ISB funding will likely need to be increased. With the transition from WDCs to ISBs, the funding allocated to this part of the tertiary education system is effectively being cut in half. This makes it highly unlikely that the ISBs will be able to effectively engage with all necessary stakeholders as well as fulfilling their other roles.

Priority 3: Access and participation

- 23. The NZCTU supports this priority, and notes that the government has a particular obligation, under Te Tiriti o Waitangi, to ensure equitable outcomes for Māori.
- 24. However, we refer to our comments above regarding the socioeconomic roots of disparities in access and achievement. Unless we address the structural roots of disadvantage the causes then measures to improve access and participation will always be second-best and only partially effective.
- 25. The NZCTU is wary of overuse of online/blended learning options. Although some online provision is of course needed and can be helpful in supporting participation for people with challenging life circumstances, it can also erode the quality of the education. Use of online provision therefore needs to be assessed on a case-by-case basis. The same is true for offering shorter courses, as these can have undesirable impacts such as undermining attainment of higher-level qualifications. They should also only be considered on a case-by-case basis.

Priority 4: Integration and collaboration

- 26. The NZCTU agrees that greater collaboration across tertiary institutions, and with external stakeholders, is desirable.
- 27. Regarding collaboration of the vocational education sector with employers and workers, we refer to our comments in paragraphs 20–22 above.
- 28. An important barrier to collaboration is that tertiary staff often have to engage in collaborative work without any workload relief or recognition for doing so. Setting up collaborative research projects, for example, takes significant time and energy. Researchers who are already stretched by a hefty teaching and administrative workload, and who face pressures to

- publish in the short-term, are often not able to do this work. Enabling effective collaboration will therefore require that workloads are made more manageable for tertiary staff.
- 29. The draft TES notes, under examples of contributing activities, that it will be desirable to "Build on tertiary education institutions' distinctive research strengths, through greater specialisation, where appropriate". Greater specialisation may be desirable in certain areas, but this must be done very carefully, especially at the university level. It is important to maintain access to a broad range of courses in our universities as they serve different regions of the country, and part of the value of a university education is the ability for students to take a range of papers in the course of their study this contributes to a well-rounded education and to the intellectual vibrancy of the university itself.

Priority 5: International education

- 30. International students make important contributions to the tertiary sector and wider New Zealand society. The draft TES sets out an ambition to double revenue from international students by 2034 (consistent with the government's broader ambition to double export earnings over this period).
- 31. There is a risk that this aspect of the TES is setting tertiary institutions up to replicate the past problem of over-reliance on international students as a revenue source. The COVID-19 pandemic exposed the fragility of this approach by bringing a sudden stop to international student numbers (and thus international student revenue). Tertiary institutions must have stable and sufficient core funding that is sourced domestically.

Conclusion

- 32. The NZCTU thanks the Ministry of Education for the opportunity to comment on the draft TES. There is much of value in the draft strategy, but we are concerned that its main emphasis tertiary education as a driver of economic growth is too narrow.
- 33. Tertiary education plays multiple key roles in our society, and supporting economic development is only one of them. Of equal importance are its roles in fostering a democratically engaged citizenry, teaching critical thinking and creativity, and supporting cultural development and understanding. The main theme of our comments above is that the final TES needs to better reflect and address these broader roles of tertiary education.
- 34. The other critical point we wish to reemphasise is the importance of ensuring our tertiary education institutions are providers of good work. Tertiary education staff have been under increasing pressure for many years now. The reality is that, if this problem is left unaddressed, the government will not be able to deliver on its other priorities for the sector.

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