

23 July 2024

Consultation on Funding Determinations and Fee Regulation Settings for 2025

We are pleased to provide comment to the Ministry of Education's proposed 2025 Funding Determinations and Fee Regulation Settings.

About Te Rito Maioha Early Childhood New Zealand

Te Rito Maioha Early Childhood New Zealand (Te Rito Maioha) is an Incorporated Society of members committed to high quality early childhood education for every child. Established in 1963, the organisation is an influential leader in shaping today's early childhood sector through advocacy, policy, tertiary education qualifications and professional development programmes.

We advocate for early childhood education services and the teachers |kaiako who provide education to thousands of infants, toddlers, and children |tamariki. Our members are drawn from a diverse range of community-based, privately-owned, kindergarten and homebased early childhood education services.

Te Rito Maioha is also a registered Private Training Establishment (PTE) with the highest Category One rating for a tertiary provider. We are accredited and approved by New Zealand Qualifications Authority (NZQA) to deliver a range of undergraduate, graduate, and postgraduate qualifications (levels 4-9), including specialist teacher |kaiako education, both nationally and internationally.

We are committed to achieving high-quality teaching and learning by:

- increasing teachers' |kaiako knowledge of Te Tiriti o Waitangi and Aotearoa New Zealand's dual cultural heritage;
- providing access to online blended delivery of undergraduate, graduate, and postgraduate tertiary education programmes leading to recognised and approved qualifications;
- promoting quality teaching and leadership through ongoing professional learning and development programmes;
- providing a range of unique resources and services to our members.

1 - Fee regulation settings for 2025

Proposed 6% AMFM rate for 2025

We broadly support a 6% AMFM increase and agree this strikes a balance for providers and students and the cost-of-living pressures experienced by both. A rate of 6% seems to fairly represent the single-year inflationary effects leading into the 2025 fee year.

The AMFM settings over the last 4-years significantly lagged against inflation, which has added to the economic difficulties experienced by the PTE sector in the post-COVID-19 environment. Although we do not operate in a high-margin environment, we invest as much as we can in our taura, staff and technology to provide a world class education experience for our taura. The cumulative effect of 4 years of low AMFM rates on top of inflationary pressures has impacted our revenue levels. This makes it more challenging to maintain our high standards and meet the expectations of our taura whilst maintaining a motivated workforce and operating in a fiscally prudent and sustainable manner.



However, we acknowledge that anything above 6% would seem to unfairly burden students given cost of living pressures currently felt across society. This is also the underlying logic used by the Minister.

Minor and technical changes to fee regulation settings

- Micro-credential fee cap: Te Rito Maioha is currently developing micro-credentials. We are comfortable with the fee cap remaining at \$64 per credit for the 2025 year.
- Temporarily reducing fees under the AMFM: We support retaining the ability to temporarily reduce course fees across calendar years, if there is flexibility to later return to the previous fee.

Student service fee settings

Te Rito Maioha do not charge student service fees, nor is there an intention to move into this area. This is mainly because of our size and the inherent complexities and rules surrounding the administration of the provision of student services and the management of associated fees.

2 - Variations to funding determinations for eleven existing funds

Te Rito Maioha currently receive DQ3-7, DQ7+, and Equity Funding, and have no significant feedback on the proposed changes to these funds.

We welcome the 10% increase in DQ3-7 provider-based rates, on top of the Budget 2024 cost adjustment.

We look forward to understanding the proposed changes to the Vocational Education and Training (VET) system and any further implications to funding from 2026.

Changes across multiple determinations

We are comfortable with the new clause across funding determinations to provide our tauria with a standardised privacy statement.

Make submission to Ministry of Education tertiary.strategy@education.govt.nz

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