

Vision for Australia: 'Hundreds of boutique universities'

Our neighbours across the Tasman could host hundreds of boutique universities and colleges within a decade if the Howard-led government's push to open tertiary education to the private sector is successful.

A government review into the role of universities suggests fast-tracking the approval of private universities.

It suggests creating a new breed of specialist higher education providers that focus on a narrow range of study – for example, business studies only – that might be called 'university colleges' or 'university institutes'.

Current guidelines stop teaching-only colleges from becoming universities because they do not have a research output. By relaxing the rules, the administration could meet increasing demand for places without using public money.

Prominent academic and incoming University of Melbourne vice-chancellor Glyn Davis predicts tertiary education in Australia is "on the threshold of radical change", mooted the possibility of a US-style system with hundreds of private colleges and fewer big research universities.

"A shortfall in public funding, an eager private sector and international competition all challenge a regulatory system designed in an era before the world wide web of trade liberalisation," he said in the inaugural Melbourne Politics lecture this month.

Another report suggests Australian government spending on education will drop significantly in the next 40 years and private spending will increase as the population ages.

The Australian Productivity Commission's draft report into ageing suggests that by 2044, government funding will decline to 34 percent of university expenditure, down from 48 percent in 2001-02. Every year since the mid-90s, government funding for universities has declined in real terms

by between 8.8 percent and 3.4 percent a year.

But private expenditure on universities is soaring, reflecting fee increases and a rapid expansion of full-fee-paying domestic and overseas students.

A story in The Australian on boutique universities is at
http://www.theaustralian.news.com.au/common/story_page/0,5744,11467521%25E12332,00.html

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Vision for Australia: 'Hundreds of boutique universities'

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A story in *The Australian* on the role of universities report is at http://www.theaustralian.news.com.au/common/story_page/0,5744,11429498,%255E12332,00.html

A story in *The Australian* on the Productivity Commission's ageing report is at http://www.theaustralian.news.com.au/common/story_page/0,5744,11489226,%255E12332,00.html

An interview with Professor Davis is at <http://www.abc.net.au/am/content/2004/s1249421.htm>

Professor Davis' speech is at <http://www.unimelb.edu.au/speeches/glyndavis22Nov04.pdf>

Loan scheme a boon for private colleges

The *Australian Financial Review (AFR)* reports private colleges are having success applying for accreditation to the government's new loan scheme for fee-paying students.

Under the scheme students paying full fees have access to an income-contingent loan to a limit of \$50,000 – a facility such students previously were denied.

Private higher education institutions can only offer the scheme if recognised as a higher education provider by the Australian Government.

The *AFR* reported in late November that 25 colleges had been approved and another 11 were under consideration.

Private providers argue that the loan scheme gives students much greater choice in education.



Chairman's Christmas message

Dear Reader,

Thank you for subscribing to *Subtext*. We have enjoyed bringing you the latest in education news and policy analysis this year. We hope you have enjoyed reading our publication.

It has been a busy year for the Education Forum and we have worked hard to bring a variety of informative and at times contentious education issues to light.

Events have included the release in February of Mark Harrison's book *Education Matters: Government, Markets and New Zealand Schools*; the visit in August of London's Kings College professor Alison Wolf who questions society's obsession with more education; and the recent seminar looking at the university students' human rights claim against the loan scheme.

The Education Forum website (www.educationforum.org.nz) has been continually updated throughout the year – including 'hot topics' on topical issues; articles; research; debate from all sides of the education spectrum ... and plenty more. We have built up quite a library of education policy information on the website and I recommend it as a useful source of research and information.

In 2005 we will continue publishing well-researched and persuasive argument, and bringing high-profile and talented visitors to New Zealand. Of course, *Subtext* will once again be an important tool in our contribution to the ongoing debate over education standards.

Our first edition for 2005 will be in February following one month off in January. If you have any particular topics you think people might like to read about in our newsletter, let us know by emailing us at info@educationforum.org.nz.

In the meantime, best wishes for the fast-approaching festive season and the New Year. Have a refreshing break and see you again in 2005.

Regards,
John Morris
Chairman, Education Forum

New Zealand slips out of top rank for children's education

The latest OECD education statistics – the Programme for International Student Assessment (PISA) – show New Zealand children in the second tier for literacy, numeracy and science. Previously they had been in the top tier for numeracy.

Released this week, the 41-country PISA figures show New Zealand in the second tier along with Australia, Canada and Japan, and behind countries such as Finland, Korea and the Netherlands.

The gap between high-achieving and low-achieving New Zealand students is one of the largest in the study, as it was in the previous study in 2000.

Acting Secretary for Education Rob McIntosh said a range of initiatives was being implemented to tackle the gap but the results were not necessarily expected to show up in PISA 2003 because the strategies were not being implemented when the students involved in the study were going through school.

National Party leader Don Brash said the study showed the number of students performing at the highest levels of reading literacy had slipped from 19 percent in 2001 to 16 percent.

"The actual achievement levels of students have not improved at all since 2000, despite a 32 percent increase in the education budget and a 20 percent increase in staff at the Ministry of Education," he said.

"It is almost unbelievable that we could have an institution as large and as important as our state-funded education system, and put up with a level of failure that almost defies belief."

Joy Quigley, executive director of Independent Schools of New Zealand, said New Zealand's poor performance meant the role of the government in controlling education had to be seriously questioned.

"Parents of children in low-decile secondary schools want their children to be given more challenging and more academic work," she said.

PISA 2003 is at

http://www.oecd.org/document/35/0,2340,en_32252351_32236225_33664291_1_1_1_1,00.html

The Ministry of Education's New Zealand summary is at

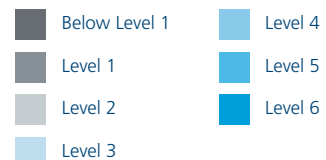
<http://www.minedu.govt.nz/index.cfm?layout=document&documentid=10169&data=1>

Percentage of students performing at each of the PISA 2003 proficiency levels on the combined mathematical literacy scale



Source: Figure 2.16a in OECD (2004a), with adaptations

Countries are ranked in descending order of percentage of 15-year-olds in levels 2, 3, 4, 5 and 6. Level 6 is the highest level of proficiency and level 1 is the lowest.



Broader ECE subsidies a 'monumental leap forward'

Increased subsidies for all types of teacher-led, centre-based early childhood centres are a cause for celebration, says Sue Thorne of the Early Childhood Council.

For the first time children attending the country's 1700 all-day education and care centres will have access to the same level of government subsidy as those attending kindergartens, Mrs Thorne said.

There will be a higher funding rate for services employing a greater proportion of registered early childhood education qualified teachers and more funding for full-day services than sessional services.

Mrs Thorne said it was significant that, under the new system, funding rates would no longer discriminate against children on the basis of the service they attended.

"It will go a long way towards ensuring that quality early childhood education remain affordable to all families regardless of the type of service they choose for their children.

"After making this monumental leap forward we hope the Minister will now see fit to reconsider his backward-thinking plan to reintroduce discriminatory funding from 2007. The additional funding earmarked for 'free 20 hours' for three- and four-year-olds at community services needs to be redirected to children most in need, whether they attend a privately-

owned or community-owned centre," Mrs Thorne said.

Education Minister Trevor Mallard said the new funding rates recognised the costs of having qualified staff and also provided funding incentives for centres to lift the qualifications of their staff, and so improve the service that families receive.

"The new rates will keep early childhood education affordable for parents as quality increases," Mr Mallard said.

More information is at

<http://www.beehive.govt.nz/ViewDocument.cfm?DocumentID=21594>

A rock 'n' roll Children's Christmas

Did you see the dancing chickens in Wellington this week? Private childcare centre group Childspace launched a CD of original children's music with a live performance and, rumour has it, the aforementioned chickens.

The CD, Wildspace Rocks, features seven original songs and a story from Wildspace – a band of teachers, family and friends of Childspace Early Learning Centres.

Copies can be purchased for \$25 from Childspace at 04 4797320 or by visiting the website

<http://www.childspace.co.nz>



Student loans a boon for Maori

Last month *Subtext* looked at how the number of Maori with qualifications was increasing; how the level of qualifications was getting higher and how more Maori are obtaining highly-skilled jobs. This month we follow up with a look at how student loans are helping Maori achieve these educational milestones.



Norman LaRocque

Maori have benefited enormously from the tertiary education reforms introduced since 1990, said Education Forum policy

advisor Norman LaRocque.

The reforms – including the student loan scheme, a greater diversity of providers and courses and funding for private providers – had allowed many more Maori to access tertiary education.

Government statistics document the gains made by Maori in recent years. In particular:

- Maori tertiary participation is up. The number of Maori students enrolled in formal tertiary education almost doubled (from 33,600 to 63,700) between 1997 and 2003.
- The number of Maori completing tertiary qualifications is up. The number of Maori completing qualifications in tertiary education providers almost doubled (from 6,500 to 12,700) between 1997 and 2001. Similarly, the number of Maori students completing diploma courses increased by 168 percent and the number completing certificate courses

increased by 120 percent between 2000 and 2002.

- Maori participation in industry training is up. The number of Maori industry trainees grew by 60 percent between December 2000 and June 2004.
- Maori participation in private tertiary education is up. The number of Maori students enrolled in private training establishments rose by some 60 percent between 1999 and 2003.

The National Maori Student Association, Te Mana Akonga, argued recently that "student loans are a barrier to Maori participation in tertiary education, particularly for degree level courses and above, which are high cost and result in better-paid jobs. Maori are effectively being fenced out of this group".

Mr LaRocque said Te Mana Akonga should stop its anti-loan rhetoric and look at the facts.

As reported in *Subtext* last month, the growth in numbers of Maori in highly-skilled jobs is more than three times that of the growth in highly skilled non-Maori employment; and, on average, Maori working in highly-skilled and skilled occupations have higher qualifications than those working in semi-skilled and elementary occupations.

"The success of Maori in recent years contradicts the doomsday scenario being peddled by Te Mana Akonga, who should focus on the significant investment in human capital and the significant gains

for Maori that the student loan scheme has facilitated," Mr LaRocque said.

Te Mana Akonga's media release is at <http://www.scoop.co.nz/mason/stories/ED0411/S00073.htm>

The *Subtext* article on increasing numbers of Maori with higher skills and better jobs is at http://www.educationforum.org.nz/documents/e_newsletter/11_04/Nov04_Maori.htm

Australia gets first private medical school

Seven hundred applicants are vying for 65 undergraduate places at Australia's first private medical school starting in May.

The Bond University medical degree, at \$15,000 per semester (three per year) for five years, will cost \$225,000.

The programme will be based on a conglomerate of models but at its core will be second and third years based on the University of Sydney medical school's first two years.

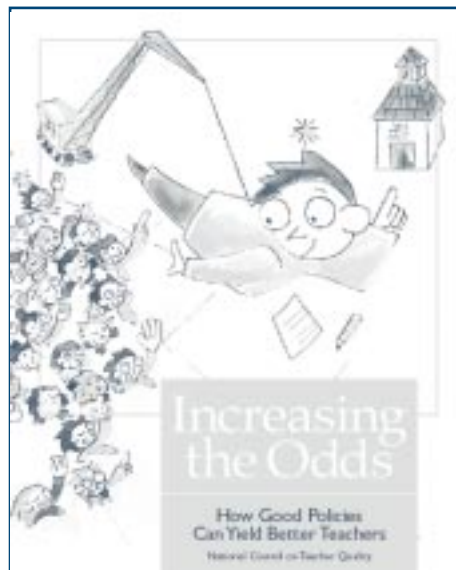
More information is at http://www.theaustralian.news.com.au/common/story_page/0,5744,11548254%255E12332,00.html

Another story is at http://www.theaustralian.news.com.au/common/story_page/0,5744,11537473%255E23289,00.html

What makes a good teacher?

Research indicating the most important qualities for a good teacher has been highlighted by leading education policy researchers in a pamphlet for the US National Council on Teacher Quality. A summary is below.

- Channelling public resources to teachers' pursuits of advanced degrees did not appear to improve teachers' effectiveness. Districts interested in exploring smarter compensation packages might consider redirecting 'lockstep' salary increases connected to earning an advanced degree toward more targeted purposes.
- Policies based on simple linear growth over time in teacher effectiveness should be re-examined. If student achievement gains were a school district's primary focus, little evidence supported compensation packages that raised salaries equally for each year of service without regard to other considerations.
- Pre-service education courses might help some aspiring teachers to be more effective than they would have been otherwise, but there was no evidence to support policies that barred individuals from the profession because they lacked such coursework. Other credentials or experience might add just as much or more value.
- The intended benefits of traditional certification (that teachers are properly trained) did not appear to justify the real costs (restricting the pool of individuals that schools can consider). Certification systems should be sufficiently flexible to accommodate capable, nontraditional candidates. Traditional routes into teaching did not appear to yield more effective teachers than alternative routes.



- Matching a teacher's race with a student's race could be advisable – provided race did not override other important considerations.
- The growing call for more subject matter training for secondary teachers appeared justified. Broad training across many subjects would appear to be a judicious requirement. Strong preparation in a secondary teacher's intended subject area could add significant value.
- Studies repeatedly concluded that teachers who were more literate were more likely to produce greater student learning gains.

The report, "Increasing the odds, how good policies can yield better teachers", is written by Eric Hanushek, Michael Podgursky, Richard Murnane, and Dan Goldhaber and is at http://www.nctq.org/nctq/images/nctq_io.pdf

A focus on tertiary education tuition

Tertiary education tuition fees have hit the headlines again as institutions look to set them for 2005. The Education Forum website (www.educationforum.org.nz) has a wide range of resources on the topic.

In OpEd 70, Norman LaRocque argues the case for tuition fees. It is at <http://www.educationforum.org.nz/documents/articles/Issue70.pdf>

In OpEd 46, *Top-up tales*, Norman LaRocque argues that opposition to tuition fees is misguided and the New Zealand experience shows that fees work. It is at <http://www.educationforum.org.nz/documents/articles/Issue46.pdf>

First published in *The Times*, Michael Gove argues in OpEd 43, that "if I am paying for your education so can you". It is at <http://www.educationforum.org.nz/documents/articles/issue43.pdf>

A Hot Topic on student loans is at http://www.educationforum.org.nz/documents/hot_topics/hot_topic10b.asp

The Education Forum book *Who should pay: tuition fees and tertiary education funding in New Zealand* is at http://www.educationforum.org.nz/documents/publications/who_should_pay.pdf

In a recent release, the Education Forum argues that New Zealand university councils should be allowed the freedom to set 2005 tuition fees at the levels necessary to deliver quality education. It is at <http://www.educationforum.org.nz/documents/articles/issue43.pdf>

'Process over content' has weakened secondary education, academic says

Secondary schooling has suffered because the sidelining of knowledge has reduced its status and that of those who teach it, says Elizabeth Rata, academic at Auckland University's faculty of education and former secondary teacher. We look at her ideas.



Elizabeth Rata

Since the 1970s education has turned away from the so-called 'transmission of knowledge' approach, to the inquiry approach that is promoted with great enthusiasm today. This has seen content replaced by process as the focus of teaching and learning. Knowing how to gain access to knowledge is now more highly valued than content-knowledge itself.

Yet the separation of content and process is flawed, Dr Rata said.

"What we learn and how we learn are two sides of the one coin. Content and process are, or should be, inseparable. We forget this at our peril."

In the shift to process over content, and to student inquiry over teacher transmission, secondary teachers no longer taught subjects such as English, physics, classical studies, mathematics, Maori and history to students. They now taught students.

The subject and its content had been sidelined, peripheral to the all-important teacher-student relationship, and the teacher's ability to relate to students was more highly valued than the teacher's

subject knowledge.

This shift had huge consequences. It had weakened the secondary sector. It affected New Zealand's capacity to become a first-class knowledge society, Dr Rata said.

"Content is the raw material of thinking. To teach children to think without an extensive treasure trove of raw material is to ask them to work with and recycle the poor-quality, inadequate resources of limited knowledge that in time becomes well-honed ignorance and reinforced prejudice."

Dr Rata said one way to help turn this around was to reward teachers for their knowledge.

"Secondary teachers provide knowledge at an advanced level to our young people. To do so, these teachers spend three to four years majoring in a specialist subject. They are specialists and their knowledge deserves recognition and respect. Let's reward them with money and status."

Dr Rata's full article on this topic is at
http://www.nzherald.co.nz/index.cfm?c_id=35&ObjectID=5000213

More information on Dr Rata and her research is at
<http://www.education.auckland.ac.nz/facs/postgrad/post/erata.asp>

An Education Forum hot topic on teacher pay is at

http://www.educationforum.org.nz/documents/hot_topics/hot_topic16.asp

UK private school chain to run state schools

Global Education Management Systems, the largest chain of private schools in England, has recently taken over a group working to turn around failing state schools.

It has taken over a non-profit company called 3Es which was the first private firm to be awarded a contract to open and manage a state school. 3Es has a 10-year contract from Surrey Council to run two schools.

GEMS has 50 schools around the world and 13 in England, and has ambitious plans to open many more, including 100 in India.

A BBC story is at
http://news.bbc.co.uk/2/hi/uk_news/education/4025345.stm

A story in the Economic Times is at
http://prayatna.typepad.com/education/2004/09/varkey_group_pl.html

Loan scheme equips Indian schools for a brighter future

A non-profit British education consultancy and a multinational bank have launched a programme to help Indian schools upgrade equipment in a bid to boost low-income families' education.

The Enabling Quality Improvement Programmes in Schools (EQUIP) lets some Indian private schools for children of low-income families borrow money for computers, furniture, library books, teaching material, sports equipment and building repairs.

The Hong Kong and Shanghai Banking Corporation provides cheap finance and the Centre for British Teachers (CfBT) identifies suitable schools for the scheme

and gives technical support including a school improvement plan.

Successful schools are eligible for an education grant from the UK-based HSBC Education Trust when the loan is repaid.

CfBT is a non-profit education resource management organisation based in the United Kingdom that supports schools, trains teachers and assists governments to bring about educational improvement.

It also carries out school inspections in the UK for the Office for Standards in Education and has more recently started managing UK state schools under public/private partnership arrangements.

Information on EQUIP is at <http://www.in.hsbc.com/in/aboutus/equip/home.htm>

More information on CfBT is at <http://www.cfbt.com/>

Online education popular and growing in the US

Nearly two million US students were enrolled in online courses this time last year, 19 percent more than the year before and the figure is likely to reach 2.6 million this year.

The growth rate among private, for-profit colleges is expected to be about 40 percent, almost double the rate among public or private nonprofit colleges. The schools that consistently have the lowest opinions of online learning, have the lowest enrolment numbers and are growing the slowest, the *Chronicle of Higher Education* has reported.

The figures come from the Sloan Consortium, a US group of institutions and organisations committed to quality online education.

More information is at <http://www.sloan-c.org/resources/survey.asp>

Paper looks at role govt should play in helping employers with training

A research paper says that employers provide and pay for general training and the provision of skills encourages labour turnover but there is little if any evidence in support of underprovision because of liquidity constraints to the demand

side of the market. This suggests that the market provides less training than is optimal.

Existing empirical evidence suggests that policy discussions should focus on the employer rather than on employees.

The paper discusses policies which affect the employers' marginal benefits and marginal costs of training.

"Market failures and the under-provision of training", by Italian academics Giorgio Brunello and Maria de Paola, is at <http://SSRN.com/abstract=608944>

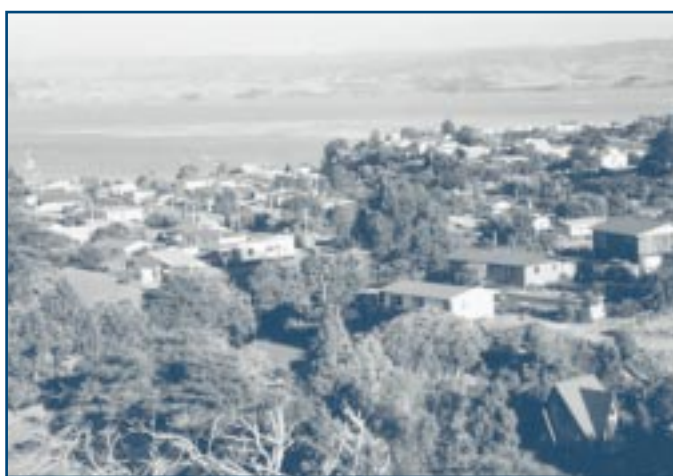
The top 10 degrees in demand by US employers

1. Accounting
2. Electrical engineering
3. Mechanical engineering
4. Business administration and management
5. Economics/Finance
6. Computer science
7. Computer engineering
8. Marketing/marketing management
9. Chemical engineering
10. Information sciences and systems

A CNN story is at http://money.cnn.com/2004/11/12/pf/college/degrees_jobs/index.htm?cnn=yes

High Court throws early childhood sector a lifeline

An early childhood centre under threat of enforced closure because it didn't have a qualified teacher has been given a fresh chance by the High Court – a decision with wide ramifications for the sector.



The tiny Kawhia Preschool, on the remote west coast of the North Island, south of Otorohanga, has been unable to obtain qualified teachers and faced closure by the Ministry of Education.

Last month it sought a ruling from the Hamilton High Court that the ministry was acting unreasonably and unlawfully in trying to cancel its licence.

Justice Young ruled the Secretary of Education was obliged to issue a licence to an early childhood centre that was unable to comply with new stringent staffing and qualification requirements but was likely to do so within 12 months.

Following the judge's ruling, the government moved quickly to formalise it.

Regulatory changes, effective from January, mean that provisional licences may now be extended to a maximum period of 12 months, subject to strict criteria, and at the discretion of the

Secretary for Education, Education Minister Trevor Mallard announced earlier this month.

The new regulations require all early childhood education (ECE) centres to have a 'person responsible' holding a Diploma of Teaching ECE and Teachers'

Council registration on duty during opening hours.

Sue Thorne, chief executive officer of the Early Childhood Council, said up to 400 centres around New Zealand were at risk of not being able to comply in time and more than 1200 people currently designated 'person responsible' would lose that position.

The court decision could prevent the ministry from permanently closing early childhood centres that could not recruit staff with the new qualifications, she said.

Kawhia Educational Trust employed a competent, experienced and qualified primary teacher at the pre-school centre which had gained good ERO reviews under her management.

"It is ludicrous that up to 60 percent of new primary school graduates are unemployed, while preschools have a staffing crisis – short by some 2500

staff," said Mrs Thorne.

"We believe that this directive by the High Court to the Ministry of Education should give early childhood centres in hard-to-staff regions some breathing space.

"Unfortunately it does not change the flawed essence of the Minister's policy which enforces more restrictive staffing practices, despite it being well-known that the Ministry of Education did not first ensure a sufficient supply of staff with the new qualifications in all regions."

UK Government plans private nurseries at state primary schools

The British Labour government plans to fund primary schools to set up private fee-paying day nurseries for infants and young children, as well as providing breakfast clubs and after-school activities for their pupils.

While they will not be forced to run the nurseries, the government believes that schools are well placed to provide activities that prepare children for formal education.

A Times story is at <http://www.timesonline.co.uk/article/0,,2087-1378199,00.html>

Preparing for the business of life

The rain couldn't keep them away: the Pitt Islanders came by boat and Kaingaroa School drove for an hour across the island for market day with Te One School.

They had agreed to unite their three separate currencies for their combined market day earlier this month, and the stalls selling all matter of goods from shells and driftwood to wrapping paper, ribbons and sweets did a brisk trade despite the weather.

The Chatham Islands schools were having their first taste of a market day in the Primary Enterprise Programme (PrEP), the Enterprise New Zealand Trust (ENZT) programme that sees primary school pupils set up their own businesses, legal systems and currencies to get an understanding for the workings of the world.

And, with the opportunity to be Prime Minister, run a bank and take legal action against their classmates, it's a programme that children can't get enough of.

Te One School principal Judy Wright said her pupils had a ball and at the same time picked up skills in maths, language, technology and working as part of a group.

"They're still working on their profit and loss sheets and some of our groups are going to be bankrupt but the enthusiasm the children are showing running their own businesses and making the decisions on how they run is enormous," she said.

With no bank and just two shops on the main Chatham Island, the programme has introduced the children to commercial concepts that would otherwise be foreign to them. But the programme also benefits children in the 210 schools of mainland

New Zealand that run PrEP programmes.

PrEP national director Kathie Willis travels extensively to help schools run the programme and she said the most common feedback from children was that it was "just like real life and good practice for becoming adults".

"The programme, with its own currency, also allows children to make mistakes and feel the consequences, while the school's bank account stays intact!" Mrs Willis said.

The seven-year old programme is designed to fully integrate with the curriculum. Students design and operate their own functioning society, work in ventures within their own economy, establish marketplaces and exchange goods and services they have produced.

"Traditional lessons can turn off some students. We find that the buy-in to PrEP is immense and engages students in learning as they pick up new skills and at the same time learn how to participate in a market-based, democratic society."



Te One School pupils sell their goods at the market day cafe

ENZT, a trust with \$1.5 million in annual turnover, works to promote enterprise education, economic literacy and business understanding, and develop a "can do" attitude in cooperation with New Zealand businesses.

It also runs the Young Enterprise Scheme (YES) for secondary schools in which senior secondary school students form a company, become directors, and develop products and services, which they market and sell.

YES is school-based and ENZT touts its benefits as teaching skills in budgeting, planning, interpersonal relations, decision making, reporting, communications, risk management and teamwork.

The Enterprise New Zealand Trust's website is at <http://www.enzt.co.nz/>

Export education levy sends wrong message, says industry body

The export education levy should be used to develop the industry, not to boost government revenue, a government-recognised export education body argues.

The government is using money from the controversial levy to recover its costs from the collapse of Auckland's Paramount Institute – \$524,288 to reimburse tuition fees for the affected international students and \$106,428 to pay for their homestay expenses.

Robert Stevens, chief executive of Education New Zealand, said the government's action was the "worst possible option".

"Taking money from sound, law-abiding institutions to potentially bail out institutions that must have flouted the regulations if a bail out is required is sending the message to industry that you will be penalised if you comply, and can evade your responsibilities if you do not.

"It is analogous to sending all motorists a traffic ticket if one of them gets caught speeding," Mr Stevens said.

"The public interest in international education is best served by developing the industry, not by diverting its hard won resources into the Treasury's coffers. A far better plan would be to invest in industry good activities such as expanded marketing programmes and product research."

Meanwhile, latest figures show international student numbers up overall, but falling in the school and English language sectors.

Education New Zealand data shows growth in the number of international

students studying at tertiary level, particularly in universities, but a 17 percent fall in the school sector (including a 38 percent decrease in students from China) and a 24 percent drop in the number of student weeks in English language schools.

Tertiary	2003 (August)	2004 (August)
English Language	34,715	33,722
PTEs	6,453	6,173
Colleges of Education	390	649
Polytechnics	10,863	11,027
Universities	22,574	26,665

Mr Stevens said the figures were in line with international trends.

Association of Private Providers of English Language chairperson Patrick Ibbertson said the Education New Zealand numbers understated the downturn because they included cumulative re-enrolments of students who had come to New Zealand at the height of the education boom and who were only halfway through their stay.

In contrast, the number of first-time students to secondary schools is expected to drop a further 30 percent, and first year

undergraduate enrolments could drop by up to 50 percent in 2005, with another fall in 2006, he said.

Mr Ibbertson said English language schools had laid-off nearly half their teachers in the past two years.

More Education New Zealand information is at http://www.educationnz.org.nz/comm_media/media_files/media37.html

A government statement on the Paramount Institute is at

<http://www.beehive.govt.nz/ViewDocument.cfm?DocumentID=21619>

An Education Forum hot topic on the export education levy is at

http://www.educationforum.org.nz/documents/hot_topics/hot_topic2.asp

Private tertiary group lists on Australian stock market

IBT Australia, the operator of several pre-university foundation colleges, launched an initial public offering this month to raise \$51 million for expansion.

When it lists in December, it will be the first tertiary education company on the Australian stock market.

IBT's student numbers have almost doubled to 10,000 in the past three years, the *Australian Financial Review* has reported.

Quote of the month:

"[It] is analogous to sending all motorists a traffic ticket if one of them gets caught speeding."

* Education New Zealand chief executive Robert Stevens commenting this month on government plans to divert some of the export education levy into a fund to compensate the Government for pay-outs it made when the Paramount Institute collapsed.

A story on export education is on page 10.

Academics lash out at 'control freak' Government

Universities say a "control freak" Government is trying to erode their independence and stifle their academic freedom.

Reported in the *New Zealand Herald* last week, the Vice-Chancellors' Committee said sweeping state service reforms were spawning the greatest threat to universities since they gained statutory protection 15 years ago.

The row centres on a bill that will redefine Crown entities as "organisations in which the Government has a controlling interest".

The Public Finance (State Sector Management) Bill is designed to give the Government greater control over Crown-linked organisations, including the Securities Commission and Accident Compensation Corporation as well as tertiary institutes.

But the vice-chancellors have claimed it will sabotage the university role as "critic and conscience of society".

The full NZ Herald story is at: http://www.nzherald.co.nz/index.cfm?c_id=1&ObjectID=8501149

Business schools earn prestigious accreditation

Business schools at Otago and Auckland universities have been given Equis accreditation by the European Foundation for Management Development, an honour given to fewer than 80 organisations worldwide, *The Press* has reported.

The schools join distinguished establishments including the London Business School, Canada's Richard Ivey School of Business and the Rotterdam School of Management.

Both schools earned the top distinction of five-year full accreditation as opposed to partial accreditation of three years.

Upskilled workers will boost productivity, says research

The number of workers being up-skilled through industry training in New Zealand can double by 2007, and the wage and productivity gains of those trainees will be between five

percent and 20 percent, new research shows.

The research was released last month by the Industry Training Federation.

ITF chairman Pieter Burghout said the research also showed that "training density" is associated with increases in wages and increases in value added per worker.

"We know that firms are putting in the equivalent of at least two dollars for every dollar the government contributes and wouldn't do it if they didn't see a return on their investment," Mr Burghout said.

More information is at <http://www.itf.org.nz>

Significant Australian employer investment in training

Total investment by Australian employers in work-based training is much larger than previously believed, a new study concludes.

The study measures the increase of workers' productivity as a result of learning skills on the job. Workers' productivity is obtained by observing how fast wages grow with additional years of general work experience and of tenure with the current employer.

More information is at <http://www.ncver.edu.au/publications/1506.html>

UK specialist schools can be more effective

Specialist schools – state schools which have successfully applied for a particular subject specialism, having raised required private sponsorship money and agreed on targets – can do well, a study shows.

"Some specialist schools, in particular those of long standing and the more recent technology and sports schools, are more effective than non-specialists."

"Evaluating the Effectiveness of Specialist Schools" – and other reports from the London School of Economics Centre for the Economics of Education – is at <http://cee.lse.ac.uk/publications.htm>

Private girls' schools excel at maths and science, study shows

Private UK girls' schools are educating significantly more female mathematicians, engineers, scientists and linguists than schools catering for both sexes, research shows.

The research, based on new figures for the last academic year, revealed that the take-up of maths, science and modern languages was much stronger in girls' independent schools than in schools nationally, the *Guardian* has reported.

The story is at http://www.guardian.co.uk/uk_news/story/0,,1352078,00.html

Private schools dominate Quebec's 'Top 100' List

Eighty-six of Quebec's top 100 schools are private, the recently released fifth edition of the Fraser Institute's and Montreal Economic Institute's renowned Report Card on Quebec's secondary schools says.

Quebec has Canada's highest private school enrolment level. When all grade levels are counted, more than 10 percent of the province's students go to private schools and, in the secondary grades, more than 17 percent.

In the provincial capital, Montreal, one-third of secondary school students are enrolled in private schools and among Anglophone students, the proportion is more than 40 percent.

More information is at http://www.iedm.org/library/art167_en.html

A Subtext story on the impact of the Report Cards is at http://www.educationforum.org.nz/documents/e_newsletter/12-03Electronicnewsletter.htm

World's largest early childhood merger

One of the US's largest early childcare chains, Knowledge Learning Corporation (KLC), has bought the largest, KinderCare Learning Centers.

The merger deal, which is expected to be completed by the end of 2004, calls for KLC to pay US\$550 million in cash for all outstanding equity in KinderCare, and to assume US\$490 million of KinderCare's debts.

In 2003, KLC then the fourth-largest US for-profit child care chain, made news when it acquired Children's World Learning Centers, the third-largest chain.

Workshop on "Education and Training: Markets and Institutions" in Germany

A conference focusing on empirical research into economic aspects of education and training, including the role of markets and institutions, is to be held in Germany next March.

The conference is in Mannheim, 18/19 March. The deadline for paper submission is 20 January. Send a title and a paper/abstract (paper preferred) as electronic copy to Birgit Herrmann, bherrmann@wiwi.uni-frankfurt.de.

Paying children for success

Harvard University research economist Roland Fryer is testing whether paying children for doing well at school works.

The trial at some of the poorest performing New York schools sees students tested every three weeks and if they improve they are paid US\$20, the Marginal Revolution website has reported.

Control groups are tested and early results have been encouraging.

"For years white parents have been giving their kids money for A grades, now we are trying the same system for black kids."

More information is at http://www.marginalrevolution.com/marginalrevolution/2004/11/paying_for_perf.html

Information on Roland Fryer is at <http://post.economics.harvard.edu/faculty/fryer/fryer.html>

How well are American students learning?

The fifth annual edition of the Brown Center Report on American Education is now online.

The report, which looks at student learning, teacher training and a successful schools programme, is at http://www.brookings.edu/dybdocroot/gs/brown/bc_report/2004/2004report.pdf

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