

PTEs 'more responsive to needs of industry' Ministry of Education report finds

Private training establishments (PTEs) are more responsive to the needs of industry than polytechnics and other public institutions, new Ministry of Education research finds.

In a report released this month on tertiary institutions' engagement with stakeholders, the Ministry said that industry groups found PTEs had a greater service-like attitude that manifested itself as "you're the mountain and we'll come to you".

Tertiary institutions are required to indicate their level of engagement with a range of stakeholders as part of reporting requirements for the government's Tertiary Education Strategy. The ministry also held industry focus groups to gauge industry sentiment.

The report found that industries' most frequently mentioned barrier to engagement was "institutional inertia", with slow or inflexible responses to rapidly changing needs.

"The most picturesque illustration of what was almost universally seen as a major problem came from the Engineering group. The group saw the tertiary institutions as 'big ships' while engineering and industry in general was, '... a super yacht that can turn on a dime and they can't react'," the report said.

"A number of groups contrasted

this with private training providers. The Agriculture focus group put it this way: '... if we weren't happy [the private providers] knew that they didn't have a job, so they did tend to listen to us'."

In the view of focus group participants, bureaucracy was an excuse for institutions to resist change and to inhibit thinking 'outside the square'.

Polytechnics and institutes of technology showed a lack of flexibility and could not provide new training

within the timeframes demanded by industry, the report said.

"It was acknowledged that their rigorous quality management systems contributed to the lack of responsiveness, and when the ITOs paid for the curriculum development that did not require external approval, their processes were far quicker."

Education Forum spokesman Norman LaRocque said the ministry's research

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Less school choice for NZ low-income families, govt study

One-third of pupils from low-income families are not attending the secondary school of first choice, Ministry of Education research shows.

This is significantly higher than the study's overall figure of just over one-fifth (22 percent) of students not being at their school of first choice.

'Competent Learners @ 14' is the latest research in a longitudinal study that has tracked the development of around 500, Wellington-region children since 1993 from aged near-five right through school.

The report also found that students in decile 1–2 schools were least likely to say they were in their first choice school (55 percent compared with 74 percent of others), and also least likely to say that they would choose the school again if they could go back in time (55 percent compared with 82 percent of others).

Maori and Pacific students were the least likely to say they would choose their school again (60 percent compared with 76 percent of European and Asian students).

Students who were not at their first choice of school had lower levels of school engagement, school confidence, of being absorbed in learning and lower scores on each of the competencies. They showed lower levels of family and friend support and higher levels of risk behaviour.

They were more likely to have been unhappy at school since age 8, and had lower competency levels at age 12.

The study found signs of a "growing mismatch and discontent with school" among students from low-income families and, overlapping that to some

extent, among those attending low decile schools.

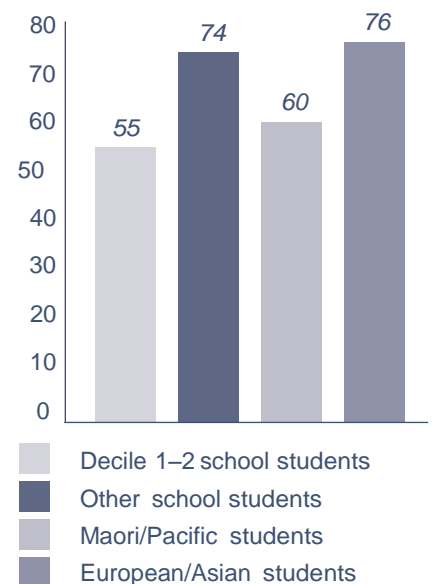
The study also highlighted the importance of quality early childhood education.

It said children who started early childhood education between the ages of 1 and 2 had higher scores in mathematics, writing and reading at age 14 than those starting after age 3. Those who had less than 24 months' early childhood education had lower scores than others for attitudinal competencies (communication, perseverance and self-management, for example).

'Competent Learners @ 14' has been produced by the Ministry of Education and the New Zealand Council of Educational Research. It is online at http://www.nzcer.org.nz/default.php?cPath=76&products_id=134

A summary of the study's findings is at <http://www.nzcer.org.nz/pdfs/14602.pdf>

Percentage of students that would choose their secondary school again if they could go back in time



Source: 'Competent Learners @ 14'.
http://www.nzcer.org.nz/default.php?cPath=76&products_id=134

Australian education minister supports vouchers

Vouchers for under-achieving students to attend private schools have been flagged by Australian education minister Julie Bishop.

"I am quite supportive of the notion of vouchers across the board," Ms Bishop told *The Australian* last month.

"The notion of vouchers to give parents choice is a notion that appeals to me. There are a whole range of areas where tutorial vouchers could be utilised. There is one with children with special needs. I think vouchers have a place there."

Ms Bishop also flagged the possibility of a voucher scheme for disabled children.

PTEs more 'responsive to needs of industry' govt report finds *Continued from page 1*

showed that the government needed to give more emphasis to the valuable role PTEs played in training and boosting workplace skills.

The findings helped highlight the national interest in PTEs having public



Norman LaRocque

reform the sector by making funding based more on results than numbers of students.

Mr LaRocque said the report showed how important it was that Dr Cullen's reforms recognised the valuable role PTEs had in providing opportunity to New Zealanders and employers with skilled workers.

"It is imperative that Dr Cullen's proposed changes move New Zealand toward a more responsive and more equitable regulatory and funding framework than currently exists."

Dave Guerin, the executive director of Independent Tertiary Institutions, said the research highlighted the strengths of private tertiary education providers.

"Too often the government simply assumes that private institutions are inferior to those in the public sector, whereas the world is more complex than that. The research is stacking up

for policy based on evidence of provider performance, rather than ideology about ownership type," he said.

Confidence levels in tertiary education 'worrying'

Meanwhile, Business New Zealand chief executive Phil O'Reilly has described as worrying an NZQA-commissioned, UMR survey finding just 36 percent of New Zealanders have confidence in the tertiary education system.



Phil O'Reilly

Mr O'Reilly said the survey's results were consistent with other research showing employers to be generally dissatisfied with the quality of graduates from

universities and polytechnics.

"A recent Massey University study found that fewer than a quarter of employers felt that schools and universities were giving students the skills they needed, and polytechs fared little better, while private training, industry training and in-house training received much better reports," he said.

"The UMR survey indicates that concerns about the sector are widespread. We are ready to work with the sector to improve the linkages between education and employment."

The Ministry of Education report, 'Engagement of key stakeholder groups with the tertiary education providers', is at <http://educationcounts.edcentre.govt.nz/publications/tertiary/research-stakeholders.html>

A New Zealand Herald story on the UMR survey is at http://www.nzherald.co.nz/section/story.cfm?c_id=1&objectid=10377725



Competitive schools work best but how to make them so?

A market-based approach to education can produce good long-term learning outcomes for students but many mechanisms are needed to make a competitive system work effectively. An Australian researcher looks at a platform for such a system.

Julie Novak, in the latest edition of the *Policy* magazine from the Australian-based Centre for Independent Studies, writes that schools in a competitive environment have an incentive to promote excellence in teaching to attract students, provide quality facilities and to experiment with different approaches to education to give themselves a competitive edge.

She suggests the following mechanisms to make a level-playing field for market forces in education.

Freedom of entry and exit New schools can tailor services for students that are not available from existing schools. The competition from new schools would encourage existing schools to provide high-quality services. Regulations hampering new schools starting up and poorer schools exiting need to be removed.

Price mechanisms

Prices for educational services give knowledge about production and provision costs. Schools can use prices to find and confirm consumer preferences. Charging for goods and services also means more accountability to paying customers.

Non-discrimination in public funding

Equal amounts of taxpayer funding should be allocated to each student,

regardless of family income and school ownership, to allow them to attend the school their family chooses.

School autonomy

Letting principals administer finances and assets, develop curriculum strategies and manage human resources, lets schools tailor education to local student needs, promotes better resource allocation and creates educational diversity.

Publicly available information

Publicly available reporting about financial, operational and academic

performance at the individual school level, in an objective, clear, complete and accurate manner, allows consumers to gain knowledge of market alternatives and conditions to make informed choices on the children's education.

Julie Novak's full article is online at http://www.cis.org.au/policy/autumn06/atumn06_05.htm

The current edition of *Policy* also looks at tertiary students financing their studies through selling equity in their future income. The magazine is online at <http://www.policymagazine.com/>



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High-performing schools in line for more funding

A scheme giving extra money to high-performing schools starts next term with \$28.5 million up for grabs over the next four years.

The Extending High Standards Across Schools programme is a government initiative designed to raise student achievement.

High-achieving schools showing good practice will be identified and given extra funding for programmes to improve their understanding of practices that are leading to improved student outcomes, or to develop a new idea to enhance their performance.

Initiating schools will have to work with partner schools to help spread the benefits of the scheme across the school system.

More than 120 schools are soon to receive the first funding from the scheme, which they will use from Term Two to help improve areas such as student numeracy and literacy, effective teaching and new technology usage.

Christchurch Girls' High School and Riccarton High School, for example, plan to use their funding to understand and use student achievement data more effectively to improve student achievement.

Takapuna Primary School and two other local primary schools plan to develop their use of assessment data and tools to get improved data analysis and improved staff reporting skills.

A second group of schools will be announced in June.

A Ministry of Education web page with resources and details on the scheme is at <http://www.minedu.govt.nz/index.cfm?layout=document&documentid=10278&data=1>

Australian education minister supports vouchers

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The Australian government last year started an AU\$20 million trial voucher scheme for children falling behind in literacy. It gives \$700 vouchers to families to spend on out-of-school tuition for their children.

Critics of the literacy scheme argue that too few eligible students are using it and that the money would be better spent on in-school reading programmes.

The Australian article is at <http://www.theaustralian.news.com.au/story/0,20867,18543529-2702,00.html>

A Subtext story on the literacy voucher scheme is at http://www.educationforum.org.nz/documents/e_newsletter/08_05/Aug05_Voucher.htm

Qatar serious about education reform

Gulf state Qatar is putting reform at the core of its education policies – with school choice, school variety, teacher accountability and school autonomy being the central planks of the policies.

Last month, the country's Supreme Education Council put report cards for all 277 Qatari schools – state and private – on the internet.

Parents and schools are being encouraged to discuss the reports. The aim is to help inform parents and get them more involved in schools.

Towards the end of 2005, 21 independent schools were opened with the assistance of education authorities, following on from 12 the year before. A further 21 independent schools are planned to open this year.

Last year, Qatar abolished its nationally prescribed textbook for independent schools. As long as schools are accountable to the national curriculum standards in Arabic, English, science, and mathematics, each school can now determine its own curriculum. Teachers can use any teaching materials – in any media – that they want.

Professional development programmes for teachers are being set up at a national and school level.

The reform programme is three years old.

The Supreme Education Council website is at <http://www.english.education.gov.qa/>

Australia's Labor plans fewer private and state school funding difference

A "bedrock" policy shifting public funding to schools where it is most needed, government or non-government, is planned by senior Labor Party MPs, *The Australian* has reported.

"The emphasis in the new policy is need," a senior Labor source told the newspaper.

Opposition leader Kim Beazley and education spokesperson Judith Mackie are reported to be working on the policy.

The party is also preparing to guarantee the funding of non-government schools and dump its 'rich school hit-list' policy, *The Australian* has reported.

Meanwhile, Craig Emerson, a senior Labor MP and former economics adviser to Bob Hawke, has called for a school funding model that

abandons the distinctions between government and private schools.

In his new book *Vital Signs, Vibrant Society*, Mr Emerson proposes a market mechanism that gives wealthier private schools an incentive to enrol disadvantaged students, such as students with learning difficulties.

"It is the needs of the child that are important, not whether the child goes to a public or a private school. A needs-based funding system would give extra funding to those schools with more needy children," Mr Emerson said at the

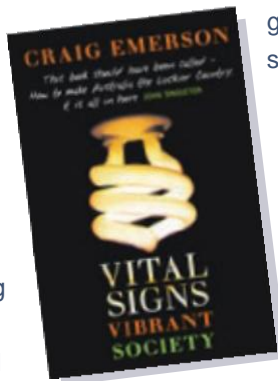
book's launch last month.

He also wants teachers' pay to be based on the quality of their teaching, and teachers in hard-to-staff schools to be paid more.

The article in *The Australian*, 'Labor ends class war on schools', is at <http://www.theaustralian.news.com.au/story/0,20867,18725835-601,00.html>

Mr Emerson's book launch speech is at <http://eherald.alp.org.au/articles/0406/magbook05-01.php>

A recent article in *The Age* on the Emerson book and Labor's thinking on education is at <http://www.theage.com.au/news/national/pressure-to-drop-school-hit-list/2006/03/23/1143083906950.html>



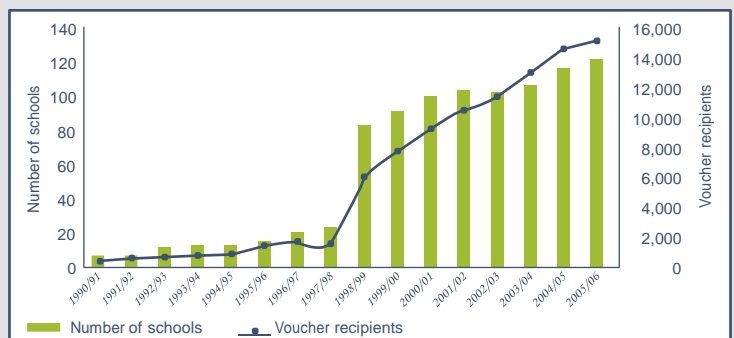
Milwaukee voucher scheme expands

The United States' oldest and largest school voucher programme – in Milwaukee – is about to get its biggest expansion yet.

The scheme has recently had its funding expanded from 15 percent to 18 percent of the city's school student population – or 22,500 students. The income limit for eligible students has been increased from 175 percent to 220 percent of the federal poverty level.

Last month, a visiting fellow to Canterbury University, William T Dickens, told *Subtext* that the Milwaukee scheme was not big enough to accurately measure its effects.

A Boston Globe story is at http://www.boston.com/news/education/k_12/articles/2006/04/15/school_voucher_program_expanded_amid_doubts/



The Wisconsin Department of Instruction has a web page with access to detailed statistics and information on the Milwaukee scheme at <http://www.dpi.wi.gov/sms/choice.html>

The Milwaukee Journal Sentinel had an in-depth feature on the voucher scheme to mark its 15th anniversary last year. The feature is at <http://www2.jsonline.com/news/choice/>

Website aims to give ‘fresh perspective’ on tertiary sector

A grouping of private tertiary institutions has launched a new website that, as well as promoting the institutions, aims to explore key policy issues in the sector.

Independent Tertiary Institutions (ITI) represents 16 institutions around New Zealand. Its new website – www.iti.org.nz – has been launched at a time when the roles of public and private providers are increasingly in the public spotlight and subject to scrutiny by the government.

ITI executive director Dave Guerin said ITI members were proud of their

contribution to New Zealand and wanted to communicate that.

“The website is a new step for many in the private tertiary education sector who have traditionally gone about their work quietly. But the public debate about tertiary education needs to include all parts of the sector and have quality information to inform the debate.”

The website would give a fresh

perspective on the private tertiary education sector, Mr Guerin said.

ITI has also launched a monthly and publicly available newsletter that covers members’ successes and current policy issues. It can be subscribed to at the ITI website.

Mr Guerin described the newsletter as a low-stress way to learn more about private tertiary education.

UK loan scheme ‘pleases’ students

UK tertiary students seem ‘pleased’ with the new student loan system, a new study finds.

The Higher Education Academy, which is owned in part by universities, based its study on interviews with A-level students and research into the impact of fees in Australia and New Zealand.

It says students expressed insecurity about their financial and debt management skills but they seemed pleased with the Income Contingent Loan system.

Students were likely to do more part time work, not only to reduce the impact of increased fees, but also as a way to support a decent student lifestyle and

gain workplace skills.

There did not seem to be substantial evidence from Australia and New Zealand that increasing fees reduced tertiary education participation.

The study said the introduction of increased fees made sound economic sense, but had not been adequately sold to students.

The study is online at <http://www.heacademy.ac.uk/research/SummaryPaperCambridgeHEfeesApr06.doc>

Industry training needs more focus on high employment areas, says report

Industry training in New Zealand is not well aligned to employment prospects, according to new research commissioned by the Industry Training Federation.

Communication services and health and community services have low industry training activity but jobs in those sectors are expected to grow strongly. Manufacturing industries have high levels of industry training but modest job growth expectations, says the report.

Encouragingly, the service industries have strong employment prospects and prominent plans for future industry training activity.

The strongest growth in employment over the next five years is expected to be in the service sectors – retail and wholesale trade, services to households and communications, the research says.

Labour force participation is not anticipated to increase much on current levels. Productivity needs to be a major policy focus. Industry training will increasingly need to reflect demographic changes, such as the needs of older

workers and more nationalities in the workplace.

The research was carried out by the New Zealand Institute of Economic Research to give the Industry Training Federation research-based information for future planning.

The report, ‘Research to support the ITOs’ leadership role’, is at <http://www.itf.org.nz/documents/Publications/Leadership/Main%20report.pdf>

briefs

Quote of the month:

“Private training establishments are far more responsive [to industry] than the [polytechnics] and they would seem to have a greater service-like attitude towards industry that manifested itself as ‘you’re the mountain and we’ll come to you’.”

Ministry of Education report, released this month, into tertiary institutions’ engagement with stakeholders. The report is at <http://educationcounts.edcentre.govt.nz/publications/tertiary/research-stakeholders.html>

Give feedback on government’s tertiary education reform plans

Labour’s proposed tertiary education reforms have been called the biggest shake-up to the sector in 15 years. Included are plans for more differentiation between institutions and for funding to be driven more by outcomes than student numbers.

To help give informed feedback on the proposals, consultation information and the Cabinet and background paper to support consultation can be downloaded from http://www.tec.govt.nz/about_tec/news/news11.htm

Does website recommend not repaying student loan?

The Retirement Commissioner’s website has added further weight to the argument that the interest-free student loans scheme introduced this month is likely to lead to fewer students voluntarily repaying their loan.

The website – sorted.org.nz – says: “Usually we suggest that people pay off debt as fast as they can, given that the longer they hold the loan, and the bigger it is, the more interest they pay. Student loads will be different because if you’re living in NZ you won’t be paying interest.”

In a newspaper article this month, Commissioner Diana Crossan said the commission was giving students information to make informed decisions and was not advising them not to repay their student loans voluntarily.

The NZPA article is at <http://www.stuff.co.nz/stuff/0,2106,3626185a6160,00.html>

More [sorted.org.nz](http://www.sorted.org.nz) student loan information is at http://www.sorted.org.nz/student_questions_and_answers_paying_it_back.html

Sell shares in future income to finance studies, suggests think tank

Students should sell shares in their future income in exchange for money while they study, suggests an article in the latest edition of the Australian Centre for Independent Studies’ *Policy* magazine.

The proposal would mean investors carried the risk of university students earning low-incomes but did well out of high-earning students.

The article argues that “if the market for these contracts grew large enough, these income shares could be floated on the exchange. Instead of buying BHP and Telstra, investors could buy the future income of doctors, lawyers, engineers, and anthropologists.”

An edited version of the article is at <http://www.theaustralian.news.com.au/story/0,20867,18785283-12332,00.html>

Students line up for full-fee medical degree in Australia

A full-fee medical school in Australia is having no problems finding students, despite its more than AU\$45,000 annual cost.

Fifteen months ago, *Subtext* reported on the opening of Australia’s first private medical school – at Queensland’s Bond University. With students paying more than AU\$200,000 to become doctors there was criticism the school would be only for the super-rich.

That criticism has proved to be unfounded, with students from a range of socio-economic groups signing up for the course.

A recent feature article in *The Australian* looks at the school: <http://www.theaustralian.news.com.au/story/0,20867,18588943-23289,00.html>

Voucher system for European university research proposed

A voucher system allowing university researchers to work at the institutions they choose to has been proposed to the European Parliament.

The proposed scheme would cover an institution's costs and wages for the researcher. It would also add to the research budget of the institution.

The voucher suggestion comes as the European Parliament plans to set up a central research institution it hopes will rival world-famous United States institutions.

Critics say the focus on a centralised European Institute of Technology will not give an institutional structure that has incentives – such as competition – to improve research and teaching.

More information is at <http://www.tcsdaily.com/article.aspx?id=033106B>

UK research funding reform proposed

United Kingdom chancellor Gordon Brown plans to “radically simplify” the way in which tertiary research funding is allocated.

Mr Brown wants a “metrics-based” system, where money is related to the impact of published papers and how much money institutions attract in grants and contracts.

More information is at <http://education.guardian.co.uk/RAE/story/0,,1738113,00.html>

More Germans get student loans

Increasing numbers of German students are taking out student loans.

A Wall St Journal feature article looks at the trend at http://www.careerjournaleurope.com/myc/school/20060331-wessel.html?cjepos=home_whatsnew_major

Can competition improve public schools? – New book finds out

Can entrepreneurial creativity, private investment and competition be harnessed to improve public schools? Or is private management of public schools a gimmick or an ‘undemocratic sell-out’? A new book from Harvard University Press canvasses the issues.

More information is at <http://www.hup.harvard.edu/catalog/WILLEA.html>

Oxford aims for US-style endowment to boost income

A new fund launched last month to manage money for Oxford University colleges hopes to mimic US Ivy League universities’ success in raising income.

The Oxford Investment Management will start with around £100 million from Balliol, Christ Church and St Catherine’s colleges – the majority shareholders in the new business.

To earn income, OXIM plans to invest in assets such as private equity and commodities.

More information from Reuters is at http://today.reuters.co.uk/news/newsArticle.aspx?type=businessNews&storyID=2006-03-26T231629Z_01_L24398175_RTRUKOC_0_UK-FINANCIAL-OXFORD-PENSIONFUND.xml&archived=False

Gifts to US universities hit a high

Private contributions to American colleges and universities rose by 4.9 percent in 2005, to a total of US\$25.6 billion. The total was reportedly the highest ever.

More information is at <http://insidehighered.com/news/2006/02/17/gifts>

Failing ‘further education’ colleges may face private takeover

Private companies will be able to take over under-performing ‘further education’ colleges, the British government has proposed.

More information is at <http://education.guardian.co.uk/further/opinion/story/0,,1740652,00.html>

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