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Minister for Tertiary Education



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Media Statement

International review endorses tertiary policy direction

An international review of the New Zealand tertiary education system supports the government's current programme of reform, Tertiary Education Minister Michael Cullen said today.

A report released by the Organisation for Economic Cooperation and Development (OECD) finds many positive aspects of the tertiary education system and makes no recommendations for radical change.

"The review found a system that is well positioned for further development," said Dr Cullen. "The review report notes that its recommendations relate well to government's recent developments in tertiary education policy. The report is a positive endorsement of our policy direction."

The review endorsed the direction of the government's 2002 tertiary education reforms and supports the current work programme of taking those reforms to the next stage. It found the New Zealand tertiary education system to be unique in scale, diversity, achievement and policy innovation - a system with a distinctive identity.

"Many of the comments and issues raised in the report focus on making the existing arrangements work better. Its recommendations support and reinforce the changes to funding and planning that we instigated in April last year.

"In particular, the review's findings support the government's 'investing in a plan' policy as well as its plans to strengthen the quality and monitoring systems in tertiary education and to restructure funding for learning," said Dr Cullen.

In February 2006, an international expert panel visited New Zealand and met with key stakeholders in New Zealand's tertiary education system - tertiary education providers, sector representative groups, government agencies, research organisations, and students. This visit was part of the OECD's thematic review of tertiary education over the period 2004-2007. New Zealand is one of 24 countries participating.

The purpose of the review was to examine how the organisation, management, and delivery of tertiary education can help countries to achieve their economic and social objectives. The review provides an independent view of the state of tertiary education in New Zealand.

Find the full report, *Thematic Review of Tertiary Education - New Zealand Country Note* at: <http://www.oecd.org/edu/tertiary/review>

It is also available on the Ministry of Education's webpage dedicated to this project at: <http://educationcounts.edcentre.govt.nz/publications/tertiary/oecd-thematic-review.html>

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Background

Some of the expert panel comments:

Governance, steering and planning

- "Without any doubt the major strength of the policy framework within which tertiary education operates is the set of clearly stated objectives at the national level. There is an obvious alignment of tertiary education sector with the country's objectives." (Paragraph 112)

Funding the system

- "...funds are delivered directly to institutions as a lump sum and institutions decide on their internal allocation of resources. This provides institutions with flexibility and autonomy." (Paragraph 128)

Quality assurance

- "A clear strength within the New Zealand system is that the emphasis on institutional autonomy for years has been followed up through an audit procedure making institutional leadership primarily responsible for the quality of teaching and learning..." (Paragraph 138)

Research and innovation

- "Over the last five years, many new initiatives and incentive schemes have been introduced to bring tertiary education organisations closer to industry. This clearly demonstrates that technology and knowledge transfer is high on the agenda in New Zealand." (Paragraph 173).

Links to the Labour Market

- "...given its breadth of provision, the tertiary system is able to accommodate the needs of a diverse set of learners....this allows students to better respond to labour market signals and to adapt rapidly to the markets' changing characteristics." (Paragraph 192)

Internationalisation

- "New Zealand is clearly one of the leading exporters of tertiary education in the world, not only benefiting the economy and society but also the New Zealand tertiary education organisations through bringing new academic perspectives, cultural contexts and an enriched learning environment to the country." (Paragraphs 205)

Selected OECD indicators¹

Entry rate

This estimates a person's likelihood of entering a particular level of education over the course of their lifetime. New Zealand rates first in the OECD at bachelors level and at diploma level and above the mean for PhD.

Enrolment rate

Enrolment rates look at the proportion of the population in each age group that is in education. New Zealand ranks sixth for enrolment rate in the 20 to 29 years age group, fourth for the 30 to 39 age group and third for the 40+ age group.

Graduation rate

Graduation rate represents number of graduates (of any age) over the population at the typical graduating age (e.g. 21 for normal first degrees in New Zealand). New Zealand ranks second in the OECD for tertiary Type A² graduation rates at 48% and also second for Type B³ graduation rates. Our Type A graduation rates are slightly ahead of Australia.

Study load

New Zealand has the highest proportion of part-time students in the OECD in Type A programmes and the 4th highest in Type B programmes.

Expected years of education

Expected years of education is a measure of the amount of tertiary education undertaken by an age cohort from the age of 17 onwards. New Zealand's expected years of tertiary education are high compared with other countries. New Zealand ranks 7th for Type A programmes and 4th for Type B programmes.

Educational attainment of the adult population

The proportion of New Zealanders who have completed a tertiary qualification is greater than the OECD country mean in all age groups.

Tertiary education and unemployment

The unemployment rate in 2004 for New Zealanders aged 25-64 with a tertiary qualification is well below the OECD average. The unemployment rate (2.4 percent) for this group is now well below the OECD average (3.9 percent).

Public expenditure

New Zealand's public expenditure on tertiary education as a percentage of GDP is high (1.6 percent, behind only Scandinavian countries and Canada, but ahead of Australia and the UK – 1.1 percent - and the US – 1.5 percent - and ahead of the OECD mean – 1.3 percent). This indicator includes government spending on student support and on funding for providers.

¹ Source: OECD (2006), *Education at a Glance 2006*, OECD, Paris.

² Type A education [ISCED 5A] programmes are described as being largely theory based and are designed to provide sufficient qualifications for entry to advanced research programmes and professions with high skill requirements.

³ Type B education [ISCED 5B] programmes are described as being "typically shorter than those of type A and focus on practical, technical or occupational skills for direct entry into the labour market, although some theoretical foundations may be covered.