

Educate for Pacific Peoples' Development and Success

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Objectives

- Pacific learners are encouraged and assisted to develop skills that are important to the development of both the Pacific and New Zealand
- A tertiary education system that is accountable for improved Pacific learning outcomes and connected to Pacific economic aspirations
- Pasifika for Pasifika education services are assisted to grow their capability and enhance Pasifika peoples' learning opportunities
- An increased proportion of Pacific staff at all levels of decision-making in the tertiary education system

The change required to achieve this strategy

Achieving this strategy requires attention to the skills that Pasifika peoples need for their development, both in New Zealand and in the wider Pacific. This requires improved connections between the tertiary education system and Pasifika communities, so that TEOs can contribute more actively to the needs of the communities and so that Pasifika learners are better informed about available study and career options that can help them to achieve their aspirations.

This strategy recognises the need to improve the capability and capacity of Pasifika for Pasifika education services. These include Pasifika PTEs, community education services and services within 'mainstream' organisations. It also places emphasis on increasing the representation of Pasifika staff at all levels of decision-making in the tertiary education system.

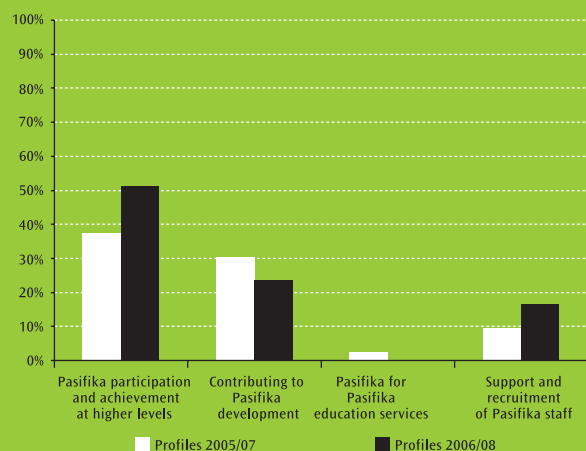
This strategy sits alongside, and reinforces, the revised Pasifika Education Plan, which spans 2006 to 2010. This plan sets a focus in tertiary education on 'increasing participation, retention and achievement and encouraging progression to higher levels of study'. The sub-goals for tertiary education are:

1. increase Pasifika participation and improve retention in tertiary education
2. increase Pasifika students' achievement and progression in tertiary education at all levels, particularly at the degree level and above
3. ensure that the needs and aspirations of Pasifika communities are identified and addressed.

Progress to 2005/06

The analysis of 2005/07 and 2006/08 profiles found that only 50 percent of TEOs had change-focused objectives addressing this strategy in 2005/07 profiles and just under 60 percent in the 2006/08 profiles. There was no strong relationship found between the number and proportion of Pasifika students in a TEI and the number of change-focused objectives relating to this strategy in the TEI's profiles over a two-year period.

Figure 56: Percentage of TEOs with change-focused objectives relating to 'Educate for Pacific Peoples' Development and Success' in profiles 2005/07–2006/08



Pasifika enrolments are steady at diploma level and growing in bachelors and postgraduate degrees. The growth in bachelors degrees is occurring at a time when overall numbers at this level are falling. There is an overall trend towards decreasing first-year attrition rates and increased progression at postgraduate level, especially from masters to doctorate. There has been relative growth in Pasifika enrolments across most subject areas. Where TEOs have a focus in profiles on Pasifika participation and achievement, this generally involves monitoring and student support.

Around a third of TEOs had change-focused objectives in profiles relating to engagement with Pasifika communities. Most of this engagement is focused on meeting the needs of Pasifika students. There is less mention of contributing to Pasifika development and almost no mention of an international perspective on Pasifika development. Pasifika communities had varied experiences of engagement from tertiary providers. Most found engagement to be narrowly focused on student recruitment and support and not contributing to their social goals.

Pasifika student numbers in Pasifika PTEs are gradually increasing. However, the number of Pasifika students in other PTEs has increased markedly.

Only a few TEOs are focused on recruitment and retention of Pasifika staff in their profiles.

Key challenges for moving forward

From the analysis of progress to date, the following key challenges for moving forward to achieve this strategy are evident:

- continuing to support successful Pasifika participation at all levels
- improved engagement from TEOs with Pasifika communities, with more focus on the contribution of tertiary education to Pasifika development aspirations in New Zealand and the wider Pacific
- supporting Pasifika PTEs to access a wide range of provision, so as not to be so reliant on targeted training funds
- greater focus from TEOs on recruitment and support of Pasifika staff.



Pasifika Participation and Achievement at Higher Levels and across Disciplines

Pasifika participation in degrees continuing to increase, while achievement remaining steady

Pasifika enrolments in diplomas have levelled off from 2004 to 2005. Enrolments in bachelors degrees have continued to increase, with a 4 percent growth from 2004 to 2005. This growth runs counter to the decrease in overall student numbers at this level. Pasifika participation rates in diplomas are similar to that of the rest of the population; in bachelors degrees the rate of participation is less than the rest of the population.

From 2001/02 to 2003/04, Pasifika first-year attrition rates at diploma levels have remained the same, while attrition rates for all students have increased slightly. At bachelors level, the Pasifika first-year attrition rates have decreased (from 39 percent to 36 percent), while rates for all students have remained the same (at 25 percent).

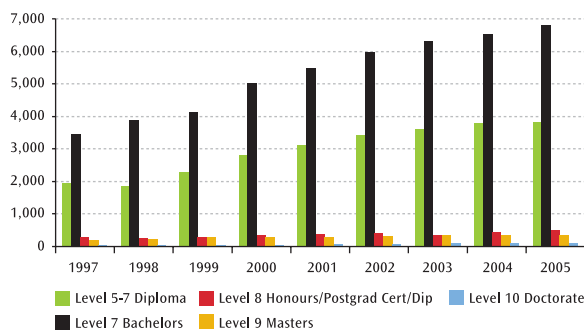
Over the same period, the rate of progression directly to higher qualifications has remained steady for both Pasifika and all students. The rates for Pasifika students are very close to those for all students, at around 15 percent of students completing at each level moving into higher qualifications the following year.



Increased participation and progression for Pasifika students in postgraduate qualifications

The overall number of Pasifika students enrolled in postgraduate qualifications continues to increase. From 2004 to 2005, numbers increased by 15 percent for honours degrees and 10 percent in doctorates, while numbers in masters declined by 5 percent, after a period of steady growth. While Pasifika participation rates at these levels are steadily increasing, they continue to be below those of the rest of the population.

Figure 57: Pasifika formal domestic students at diploma level and above by qualification level 1997–2005



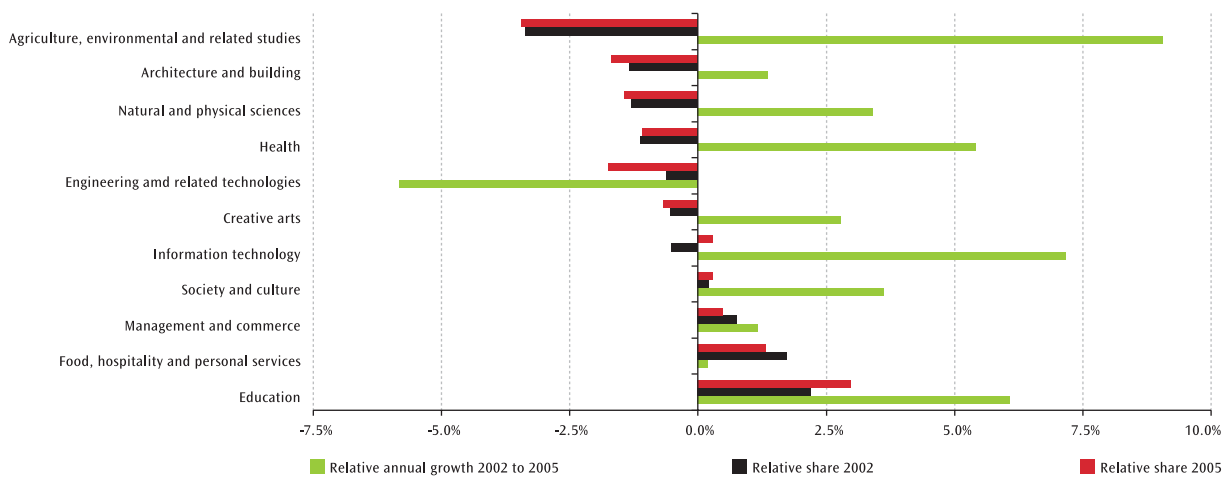
From 2001/02 to 2003/04, Pasifika first-year attrition rates for honours degrees have remained steady (at around 36 percent), while the rate for all students has decreased from 36 to 33 percent. At masters level, there has been a slight decrease for Pasifika students from 35 to 33 percent, while there has been a larger improvement for all students from 32 to 26 percent²².

Over the same period, the rate of progression directly to higher level qualifications has improved for Pasifika students in honours degrees, rising from 13 percent in 2001/02 to 18 percent in 2003/04. It is now very similar to that of all students. At masters level, the direct progression rate has increased significantly from 5 to 12 percent and is now twice the rate for all students.

Increased Pasifika participation across most fields of study, but little change in patterns of under- and over-representation

The following indicators look at the spread and growth of Pasifika participation by field of study at diploma level and above, using EFTS consumed and subjects of courses taken. The indicators are defined on page 52.

Figure 58: Relative growth and relative share indicators for Pasifika formal domestic students by field of study at diploma level and above 2002 and 2005



The indicators show that there has been relative growth for Pasifika students across all subject areas, with the exception of engineering. Areas of strong relative growth have been in agriculture, environmental and related studies, information technology and education.

22 The small numbers of Pasifika students at doctorate level do not allow for accurate attrition rates to be calculated.

The patterns of over- and under-representation have remained fairly steady. The over-representation of Pasifika students in education and food, hospitality and personal services has increased, while the under-representation in engineering and related technologies has also increased.

Retargeting the Pacific Peoples' Special Supplementary Grant

The Pacific Peoples' Special Supplementary Grant provides funding to TEIs to provide support for retention and achievement of Pasifika students. From 2006, funding will be provided only for students at diploma level and above, with higher funding for postgraduate students. The aim is to encourage greater participation at higher levels of study. From 2008, TEIs will determine their own appropriate target groups on the basis of socio-economic disadvantage.

TEO approaches to Pasifika participation and achievement

The analysis of profiles showed that around half of TEOs in 2006/08 had a focus on Pasifika participation and achievement. This area was addressed across ITOs, ITPs and universities, with an increased number of TEOs in each sub-sector having change-focused objectives compared with 2005/07 profiles.

In both 2005/07 and 2006/08 profiles, the most common focus of objectives in this area was on monitoring the participation and success of Pasifika students. However, this was generally expressed in broad, institution-wide terms, with little discussion on success at higher levels of study.

In 2005/07, the ITOs had a focus on increasing Pasifika participation in industry training, and in some cases the industry itself. Some also focused on improving achievement and a few on progression to higher levels of study. The 2006/08 ITO profiles had more focus on achievement and completion and reviewing participation and success of Pasifika students to determine what further assistance may be required. ITOs were addressing this area through understanding Pasifika needs, looking at reducing barriers to participation and success, and improving communication with Pasifika communities.

In both years, most TEIs with objectives in this area were focused on providing and improving support for Pasifika students. In 2005/07, two were looking at programme development to support success. In 2006/08 some also referred to mentoring programmes and support networks.

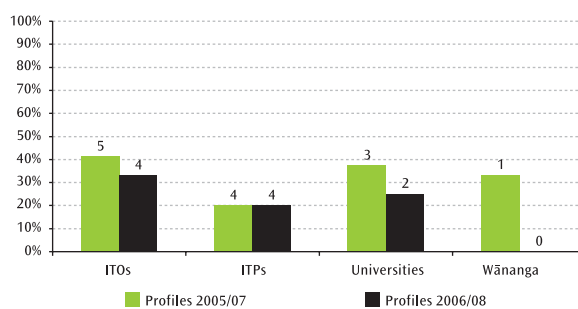
Contributing to Pasifika Development

An important focus of this part of the TES is on the contribution of tertiary education to the development of Pasifika communities in New Zealand and in the wider Pacific.

TEO approaches to contributing to Pasifika development

The analysis of profiles showed that 30 percent of TEOs had change-focused objectives in this area in 2005/07, falling to 25 percent in 2006/08. TEOs with objectives in this area were spread across sub-sectors.

Figure 59: Percentage of TEOs with change focused objectives relating to contributing to Pasifika development in profiles 2005/07–2006/08



Where TEOs had change-focused objectives in this area in their 2005/07 profiles, they were mostly focused on developing relationships with Pasifika communities. In some cases they talked about understanding and meeting the needs of Pasifika peoples, as a general statement. Only one TEI framed its objectives specifically in terms of Pasifika aspirations and long-term well-being and the sustainable development of Pasifika peoples.

In the 2006/08 ITO profiles, there was a clearer focus on consulting with Pasifika stakeholders to ensure their needs and interests were taken into account. The 2006/08 ITP profiles with objectives in this area were nearly all focused on improving relationships with Pasifika stakeholders to address Pasifika issues and needs. The 2006/08 university profiles covered maintaining links with Pasifika communities and addressing needs and interests through teaching and research. One was also looking at working with the University of the South Pacific to make their programmes available to Pasifika students in New Zealand. This was the only example found of an objective with an international Pasifika perspective.

The research on stakeholder engagement found fairly low levels of active engagement with Pasifika communities across tertiary education providers. The highest frequency of engagement was from the ITPs. Providers surveyed in the research were generally



satisfied with their level of engagement with Pasifika groups. About half thought they were making minimal to no contribution to Pasifika economic development and the rest thought they were making a moderate contribution. Most thought they were making a moderate contribution to Pasifika social goals.

Pasifika stakeholder views of engagement with providers

The Pasifika community organisations interviewed in the stakeholder research thought that while they had lots of engagement with providers, these engagements varied in kind and intensity. They tended to be narrow in focus, with an emphasis on recruiting Pasifika students, providing information to the provider and students on Pasifika perspectives and role models, and helping retain and progress Pasifika students. Most pointed out that the engagements were more beneficial to the provider than to the Pasifika community.

The level of Pasifika community organisation satisfaction with engagement varied from low to very high, depending on the benefits to the Pasifika community. The most successful engagements were well structured with good communications. Some community organisations reported they were tired of being used for research by providers. All pointed out that the wealth of knowledge of older Pasifika people is not valued by the providers.

Barriers to engagement included provider infrastructure and systems, lack of Pasifika staff within providers, views and attitudes of non-Pasifika staff, difficulties with funding, and differing mandates and inspirations.

All of those interviewed stated that their engagements with providers did not contribute to their achieving their social goals. Some thought it did help achieve their economic goals, through success of their students and provision of education-related contracts to Pasifika community organisations.

Pasifika for Pasifika Education Services

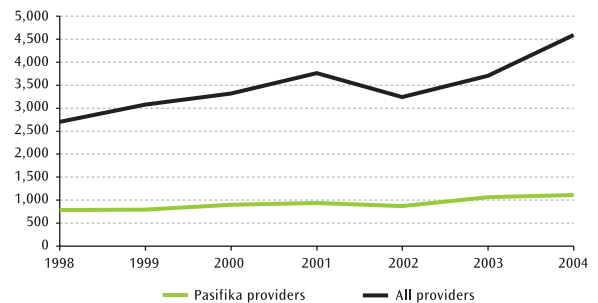
The main area of provision of Pasifika for Pasifika education services is through Pasifika PTEs. There is limited provision within TEIs, and nearly all of it is directed towards student support services.

Student numbers steadily increasing at Pasifika private training establishments

In 2004, there were 23 PTEs that self-identified as Pasifika providers and provided data returns to the Ministry of Education²³. As at 31 July 2003, there

were 3,746 domestic students enrolled with these providers, of which 1,105 were Pasifika. The total enrolments in Pasifika PTEs have been gradually increasing over the last six years. In 2004, just under one in four Pasifika students (24 percent) enrolled in a PTE was enrolled with a Pasifika PTE.

Figure 60: Pasifika formal domestic students in PTEs by type of provider 1998–2004



NZQA audit cycle figures show an overall improvement in confidence in the management and development of Pasifika PTEs. The proportion on two- and three-year audit cycles increased to 45 percent by December 2004, compared with 27 percent in 2003.

Pasifika Staff in Tertiary Education

The TES includes a focus on increasing the proportion of Pasifika staff at all levels of decision-making in the tertiary education system. This includes staff in governance, management, teaching and research positions.

The analysis of profiles found that only a few ITPs and universities had change-focused objectives relating to the support and recruitment of Pasifika staff. Those that did have objectives were mostly focused on monitoring and targets for the proportion and number of Pasifika staff at their institution. One university in 2005/07 talked about supporting recruitment and development of Pasifika staff and another mentioned supporting the Pasifika staff network.

In 2006/08 profiles, three more institutions referred to initiatives and strategies to recruit and/or support Pasifika staff. These covered increasing the number of applicants through to support networks and professional development.

A recent report on research performance of tertiary education staff²⁴ reinforced the need for greater support and development of Pasifika staff involved in research. The study found that European staff were twice as likely to be quality weighted in the PBRF (i.e. scoring 'A', 'B' or 'C') than Pasifika staff, after controlling for other factors.

23 There was a total of 27 registered PTEs that self-identified to NZQA as Pasifika providers. This analysis only covers those that had formal students enrolled as at 31 July 2003.

24 Warren Smart, *What Determines the Research Performance of Staff in New Zealand's Tertiary Education Sector?*, Ministry of Education, 2005.

Strengthen System Capability and Quality

Objectives

- Improved strategic capacity and leadership at both governance and management levels
- Increased differentiation and specialisation across the system
- Greater collaboration with the research sector, the creative sectors, industry, iwi and communities
- Sustainable growth of export education capability centred on a reputation for quality teaching and pastoral care
- A stronger system focus on teaching capability and learning environments, to meet diverse learner needs
- Learners and the wider public have confidence in high levels of quality throughout the system
- A coherent and reliable system of qualifications, learning recognition and credit transfer

The change required to achieve this strategy

Key to achieving this strategy is supporting and developing strategic capacity and leadership at both management and governance levels. This has required TEOs to give greater attention to student success and to developing robust, long-range planning, based on the needs of their communities, regions and the nation.

This strategy requires TEOs to understand and articulate their distinctive contribution to the tertiary education system, and requires developing a more differentiated system.

One of the ways of achieving the greater capability identified in this strategy is improved collaboration between TEOs and with key stakeholders, to make better use of resources, improve networks of professional practice and offer more integrated courses and qualifications to learners.

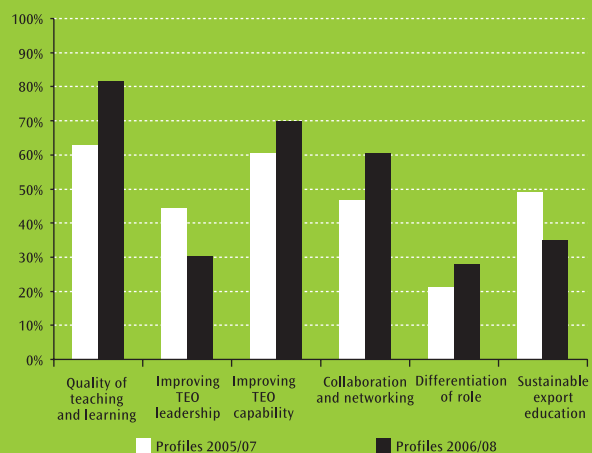
This strategy also emphasises continued improvement in quality throughout tertiary education through improving teaching capability and learning environments, supported by the sector and government agencies working together to develop a more coherent and reliable system of qualifications, learning recognition and credit transfer.

Included within this strategy is a focus on sustainable development of export education capability, centred on a reputation for quality teaching and pastoral care.

Progress to 2005/06

The analysis of profiles found that most TEOs had change-focused objectives relating to this strategy. In 2005/07, the areas with most consistent change-focus across TEOs were 'quality of teaching and learning', 'improving capability' and 'sustainable export education'. In 2006/08 profiles there were more TEOs with a change-focus on 'quality of teaching and learning', 'improving capability' and 'collaboration and networking'.

Figure 61: Percentage of TEOs with change-focused objectives relating to 'Strengthen System Capability and Quality' in profiles 2005/07–2006/08



Ako Aotearoa: Tertiary Teaching for Learning Centre will provide new leadership for excellence in tertiary teaching and learning from within the tertiary sector. Combined with a sharper focus on quality and relevance in the new funding arrangements, this will shift the system focus from volume to outcomes and results. TEO profiles show an increased focus on monitoring retention, completion and outcomes, professional development of teachers and developing quality educational programmes.

Financial viability of TEIs remains an issue, particularly for ITPs. The government has signalled its intent to address certainty and sustainability of funding in its new funding arrangements. There is an overall improvement in management in PTEs. Part of this is due to a shift towards larger providers and closure of smaller, marginally viable providers. TEO profiles show an ongoing emphasis on continuous improvement in leadership and management.

The evidence suggests that collaboration between TEOs is strengthening. However, there is more to be done to improve the quality of collaboration between TEOs and other stakeholders. This requires the development of reciprocal relationships, commitment of time and resources from both sides and a common sense of purpose.

The government has initiated several areas of work to shift sub-degree provision to areas of higher relevance and quality. These will impact on funding from 2006 onwards. The government has also made funds available for improving system capability. Work continues on developing a more differentiated system. This will be reinforced by the new funding and quality arrangements.

There has been a decline in international students from Asia in 2005. There has been a small increase in international students from other regions, but not sufficient to prevent an overall decline in numbers. TEOs are taking a more strategic approach to internationalisation.

Key challenges for moving forward

The key challenges for moving forward on this strategy are maintaining the momentum towards higher quality and greater relevance in tertiary education, while developing a capable and sustainable system. This is very much at the heart of the government's proposed new funding and quality changes.

Quality in Tertiary Education

Ako Aotearoa: Tertiary Teaching for Learning Centre

Good progress is being made towards the establishment of a centre to promote excellence in tertiary teaching and learning. Following wide consultation with the sector, the Minister for Tertiary Education has agreed to the establishment of the Centre, to be hosted by a TEO. The TEC is currently assessing proposals.

The functions of the Centre, as agreed with the Minister, will be:

- building the teaching capacity of TEOs and educators
- providing advice to the tertiary education and government agencies
- commissioning and, where appropriate, conducting research about, and monitoring and evaluation of effective teaching and learning in tertiary education.

The consultation process identified the following strategic priorities for teaching and learning in tertiary education:

- the creative potential of Māori learners
- Pasifika learners
- foundation learning
- international students and migrant learners
- learners with impairments.

New approach to funding for quality announced

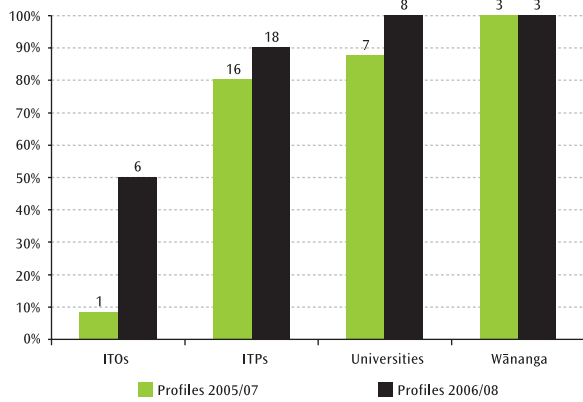
In April 2006, the government announced the development of a new approach to funding teaching and learning to encourage quality and relevance. The new system will fund institutions based on a multi-year plan and take into account a range of volume and quality measures. It will be underpinned by new quality and monitoring systems which will have a greater focus on student outcomes. The new funding and monitoring systems will be in place for the 2008 academic year.

Work has been undertaken to develop a performance measure for the Student Component fund. Officials are now considering the applicability of various aspects of the performance measure as part of work to develop new funding and monitoring systems. Much of the developmental work and thinking is likely to be utilised in developing the new arrangements.

Increased focus in TEO profiles

The analysis of profiles found that most TEIs had change-focused objectives relating to the quality of teaching and learning in both years, with a slight increase in the number with such objectives from 2005/07 to 2006/08. There was a big increase in the number of ITOs with objectives in this area in 2006/08.

Figure 62: Percentage of TEOs with change-focused objectives relating to quality of teaching and learning in profiles 2005/07–2006/08



In both years, the majority of ITPs had objectives relating to monitoring student success — including retention, completion and satisfaction. Some also included employment outcomes. In 2005/07, common areas of focus for many ITPs were flexible learning, including e-learning, and quality assurance processes. A number of ITPs were also focusing on teacher development, programme development and/or improving teacher practice. In 2006/08, the most common area of focus of ITPs was on staff capability and professional development, followed by the development of flexible learning, including e-learning.

In 2005/07 university profiles, the most common areas of focus were flexible delivery, including e-learning, and improving teaching practice. Half of universities also had objectives relating to monitoring student success. In 2006/08, the most common type of objectives were around overall development of quality programmes and improving monitoring of student outcomes.

The 2005/07 wānanga profiles had a focus on monitoring student success, programme development and staff development. In the 2006/08 profiles there was much more focus on developing teaching and learning that reflect Māori values, knowledge and pedagogy.

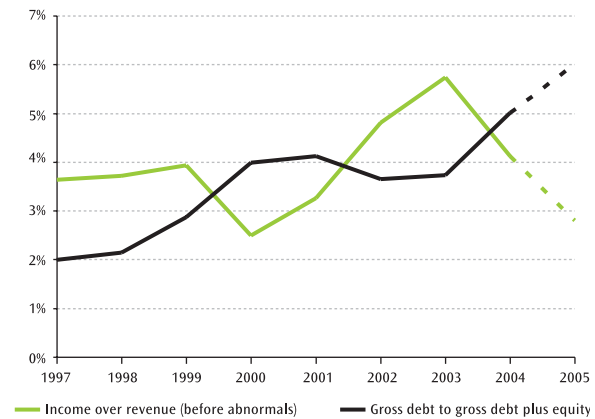
Profile objectives for ITOs covered monitoring trainees outcomes, working with providers to ensure quality delivery, and quality of assessment, moderation, training materials and training plans.

TEO Capability

Leadership and management in TEIs

Financial management provides one indicator of the overall management of organisations. In 2004, there was a drop in the operating surplus across TEIs following a peak in 2003. TEI 2005 budgets indicate a continued drop in operating surplus. At the same time, debt as a proportion of total assets started to increase, after a period of stability, and is forecast to continue to increase.

Figure 63: Financial performance of TEIs 1997–2005



Note: Figures for 2005 are budget, rather than actual.

Over the last three years, the ITP sector has relied heavily on community education and short courses to cross-subsidise core provision. The restrictions on provision in these areas have affected the financial performance of these institutions. The government has embarked on a programme of reinvesting in the core provision of ITPs to develop a more sustainable sector.

The downturn in international students has also had an impact on TEIs, particularly universities. International students have been a significant source of additional funding. Not only have international student numbers decreased in 2005, but the cost and effort of recruitment have increased.

The analysis of profiles found that in 2005/07 and 2006/08 profiles, around a third of TEIs had objectives relating to improving leadership. These mostly focused on governance, including guidance on practice, training for new council members and strengthening links between council and the institution. Several also had a focus on senior management development and organisational leadership.



More than two-thirds of TEIs in both years had change-focused objectives focused improving their capability. The main areas of focus for ITPs were staff development, increasing and diversifying income, and developing new management systems. In 2006/08 there was more focus on effective and efficient use of existing resources and less on increasing overall income.

In 2005/07, universities were mostly focused on developing management systems and increasing and diversifying their income. In 2006/08 the main focus was on financial viability and staff development. In the financial area, the focus was on increasing income, rather than more efficient use of existing resources.

The wānanga had a focus on financial viability, as well as staff development and overall capability.

Leadership and management in ITOs

The analysis of profiles found that in 2005/07 many ITOs had a focus on improving their governance in order to exercise their leadership role. This was a lesser focus in 2006/08 as developmental issues were addressed and bedded into 'business as usual'.

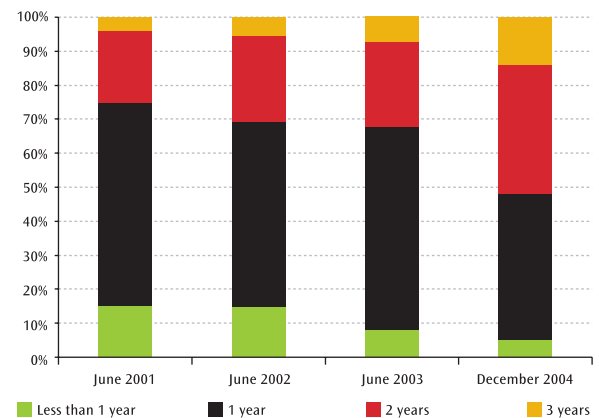
A number of ITOs also had a focus on developing their capability. In 2005/07, the general focus was on ensuring that their organisational systems and processes were appropriate to the growing size of their operations. In 2006/08, the focus of change covered staff development, finance and funding, and general organisational structure, capability and sustainability.

Management in PTEs

Analysis of PTE financial data for 2004 shows that the financial position of PTEs is stable or improving. This is allied with a trend towards fewer small PTEs and concentration of revenue into larger providers.

An indicator of general confidence in the management of PTEs is the length of the NZQA audit cycle. This varies from less than a year for PTEs with significant audit concerns to three years for well-performing and established PTEs. The general trend is towards more PTEs being on a two- or three-year cycle and fewer on less than one year, showing the maturing sector and overall development of management capability.

Figure 64: Percentage of PTEs by length of NZQA audit cycle 2001–2004



System Capability

Building a more collaborative system

Collaboration among TEOs

The analysis of profiles found an increase in the focus of ITOs on collaboration with other TEOs from 2005/07 to 2006/08. This included working both with other ITOs and with tertiary education providers around the provision of tertiary education. This increase may in part reflect the operationalisation of ITO leadership plans, as well as TEC's review of overlapping provision (discussed below).

The analysis found that, in both years, 60 percent of ITPs had change-focused objectives around collaboration and networking with other TEOs. These focused on developing programme connections with wānanga and PTEs and staircasing into university programmes. However, working with ITOs was not often mentioned.

From 2005/07 to 2006/08, there was an increased number of universities with change-focused objectives around collaboration and networking with other TEOs. However, these objectives were more generally described than in the ITP sector and were focused more towards university to university linkages.

In both years wānanga had objectives of building relationships with other tertiary providers, including PTEs, ITPs and universities.

Clearer agreements between ITPs and ITOs as a result of review

In 2005, the TEC examined the range of provision in trade training, with a view to identifying areas where there is unnecessary competition or duplication between training funded through the Industry Training fund and training funded through the Student Component fund.

The review resulted in a principle-based agreement between the ITO and ITP sectors, which will underpin future decision-making relating to training in industry. These principles set out good practice standards for ITOs and ITPs to work together to meet the needs of industry, without creating undesirable competition and duplication.

Collaborating with stakeholders

The research on stakeholder engagement with tertiary education providers found that engagement was wide ranging. It varied from well-structured, successful engagement to ad hoc engagement to no engagement at all. Providers generally perceived that their engagement with stakeholder groups was satisfactory and that they were making moderate to substantial contribution to the economic and social goals of stakeholders.

Stakeholders reported much more varied success of engagement and were more often dissatisfied with the level and quality of engagement. The institutional culture and bureaucracy of providers, along with lack of common focus, were commonly reported barriers to engagement. Stakeholders were much less convinced about the contribution providers made to their social and economic goals. The research concludes that successful engagement requires reciprocal relationships, commitment of time and resources from both sides and a common sense of purpose.

Building quality and relevance

Reinvesting in quality provision

The Quality Reinvestment Programme provides \$178 million over the next five years to support ITPs and wānanga to achieve alignment of certificate- and diploma-level education with the 2005 STEP and the needs of learners, employers, their communities and New Zealand as a whole.

The funding has come from savings made as a result of restricting the provision of community education and short courses by TEIs. The process aims to ensure that the government obtains value for money from its investment in the tertiary education sector.

The first stage of the programme was providing grants of \$250,000 from August 2005 to all ITPs and wānanga to assist with capability development, strategic thinking and analysis, and planning initiatives to support a network of quality and relevant certificate and diploma provision aligned with the STEP.

The second stage was to make grants of \$750,000 per institution available to support institutions wishing to undertake early alignment activities that require funding prior to developing a five-year

Alignment Plan. As at March 2006, 10 proposals had been received by the TEC, of which two had been approved and the others were in discussion. It was expected that further proposals would be received, following the Minister's announcements of funding changes.

The third stage will be to provide substantive grants to fund alignment plans of ITPs and wānanga. Alignment Plans may include activities aimed at planning and capability development for, and transition to, a network of sustainable quality and relevant provision and/or funding aligned education and training provision. The Alignment Plans for 2006 and 2007 will be forerunners of the new funding plans to be introduced in 2008 for all providers currently receiving Student Component funding.

Reviewing sub-degree provision for quality and relevance

The TEC has undertaken a number of reviews of areas of provision below degree-level. The most significant review was of provision in Student Component funding categories A1 (sub-degree arts, social sciences and general education) and J1 (sub-degree business and law education). Around 40 qualifications were selected for review. As a result of the review:

- some of these qualifications were withdrawn by the institutions
- some were shown to be able to justify need but not volume and will be scaled down
- cases were identified where further information on learner outcomes was required before a final assessment could be made.

In addition to focusing funding on qualifications with proven quality and relevance, this review has stimulated the institutions to improve their own self-review of these kinds of qualifications. The review has also resulted in measures to limit sub-contracting and out-of-region provision.

Over the three-year period from 2005 to 2007, the TEC is reviewing all Student Component-funded provision at PTEs to ensure it is aligned with the TES and STEP. The purpose of the PTE reviews is to:

- shift funding from areas of low relevance to those of higher strategic relevance within the available funding
- ensure that the Student Component-funded provision is high performing and relevant, meets the educational needs of students and the needs of stakeholders such as industry, complements existing public sector provision and builds on the strengths of PTEs.



In each year, a third of PTE Student Component-funded provision will be assessed.

The TEC also reviewed dive-related provision in 2005.

Building system capacity

The e-Learning Collaborative Development Fund (eCDF) has allocated \$28 million worth of funding over four years — from 2003 to 2007. It is designed to improve the tertiary education system's capability to deliver e-learning that improves education access and quality for learners. Funding for the 2006/07 year covers projects in areas such as information literacy, formative assessment, kaupapa Māori provision and professional development in literacy for adults.

The Innovation and Development Fund aims to foster new and innovative ideas, and to develop TEOs' capability to improve the operation of the tertiary education system, and to help TEOs align with and deliver on the TES and national goals. Up to \$10 million is available each financial year. Funding for the 2006/07 year covered projects in areas such as 'mechatronics', school-university partnerships in biological sciences, and a prototyping facility.

Other strategic development funding, mentioned elsewhere in this report, includes:

- Partnerships for Excellence (refer p 37)
- Growth and Innovation Pilots (refer p 38)
- ITP Business Links (refer p 38)
- Design Education (refer p 40).

A more differentiated system

The 2005 STEP reinforced the government's intent to encourage a more differentiated tertiary education system with clearer role expectations for universities, ITPs, wānanga and PTEs. The rationale for this is to build stronger, more specialised capability within each sub-sector and reduce unnecessary duplication across sub-sectors. Subsequent to this the Ministry of Education and the TEC have been working with sector representatives to build a better understanding of the roles of each sub-sector and ways of strengthening capability and distinctive contribution within sub-sectors.

The analysis of profiles shows increased explicit attention to differentiation of roles within 2006/08 TEI profiles, albeit with a tendency towards greater promotion and prominence of each institution.

A number of ITPs in 2006/08 profiles included objectives around enhancing their reputation as quality providers of vocational education and training and/or centres of excellence in specific

areas, nationally and regionally. A number of 2006/08 university profiles included a focus on developing the reputation and recognition of the institution. In the 2006/08 wānanga profiles, the focus was on the distinctive advantages of the wānanga learning environment.

The April 2006 announcements from the Minister for Tertiary Education reinforced the government's desire for a more differentiated system, where different parts of the sector work together in more complementary ways. This will be a critical feature of the new funding and monitoring arrangements.

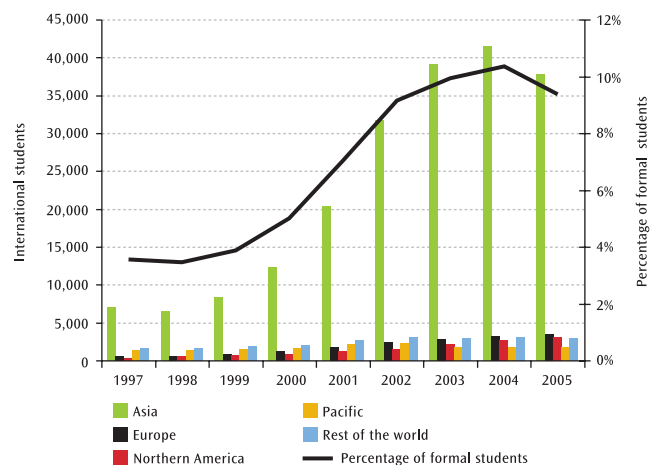
Export Education

The TES includes an emphasis on sustainable export education centred on a reputation for quality teaching and pastoral care.

International student numbers at peak in 2004

The total number of international students in formal tertiary education peaked in 2004 and declined in 2005. International students as a proportion of all tertiary students also declined from 10 percent in 2004 to 9 percent in 2005. A large proportion of international students (80 percent) come from Asia. There is small growth in student numbers from other regions, particularly Europe and North America.

Figure 65: Formal international students by region of origin 1997–2005



As well as formal tertiary education, New Zealand also provides English language education for international students. Numbers in this type of provision have been more volatile. The number of students coming from Asia peaked in 2003 and has since declined. There has been small growth in the numbers from Europe and other countries. This area has been affected by high-profile problems with a few New Zealand providers as well as international circumstances, such as economics and international security threats.

Figure 66: International students in English language schools by region of origin 2000–2005



Source: Statistics New Zealand, Survey of English-Language Providers.

TEO internationalisation

Recent Ministry of Education-commissioned research on internationalisation²⁵ found that:

- there is increasing commitment from TEIs to internationalisation, with 80 percent of institutions believing internationalisation to be very important
- half of academic and business units surveyed have strategic plans that include internationalisation objectives
- most institutions have involvement in an international or regional network of some kind
- most provide a specialist centre specifically for the support of international students and almost all provide orientation programmes
- there has been a significant increase in international collaborative research activities since 1998, although the bulk comes from a small number of institutions
- there has been an increase in the number of courses offered offshore, and an increase in offshore activity, especially in the development of strategic alliances with overseas institutions.

The analysis of profiles found that most ITPs and all universities had change-focused objectives relating to export education and internationalisation in 2005/07. However, there were fewer with a focus on this area in their 2006/08 profile, even though there was greater uncertainty about international student numbers.

Objectives in this area typically focus on increasing international student numbers (including offshore provision), diversifying countries of origin and pastoral care. There was a shift in 2006/08 ITP

profiles towards offshore provision rather than attracting more international students to New Zealand.

In both years, several TEIs also had objectives relating to internationalisation of the curriculum and educational experience for domestic students and supporting English-language development and educational pathways for international students.

Compliance with the Code of Practice

The Code of Practice for the Pastoral Care of International Students provides mandatory rules for care of international students within education providers. Complaints against the Code can be made to the International Education Appeal Authority.

In the year to 2004, there was an increased number of complaints to the Authority, from 69 for the previous year to 101. The Authority report notes that it seems likely that this increase is due to increased awareness of the complaints mechanisms rather than any deterioration in the quality of services offered by providers.

The complaints involved 84 providers out of the 1,249 providers who were signatories to the Code as at 1 October 2004. Complaints related to poor-quality homestay accommodation, course quality and inappropriate course placement, misleading information about course costs, inadequate information about the nature of courses, expulsion, inadequate information about refund provisions and interpretation of refund provisions.



25 Craig McInnis, Roger Peacock and Vince Catherwood, *Internationalisation in New Zealand Tertiary Education Organisations*, report to the Ministry of Education 2006.