

Questions

Below are the 78 questions contained in the issues paper. These questions are not intended to limit comment. The Commission welcomes information and comment on all issues that participants consider relevant to the inquiry's terms of reference.

Submitters should choose which (if any) questions are relevant to them, and leave or delete those they do not wish to answer. Many questions will not make sense without the accompanying discussion provided in the issues paper; submitters should refer to the issues paper to clarify the meaning of the question.

Question number	Question text	Where the question appears
Q1	What are the advantages and disadvantages of administering multiple types of post-compulsory education as a single system?	Page 3
Q2	Do prospective students have good enough information to enable them to make informed choices about providers and courses? What additional information should be provided? Who should provide it?	Page 8
Q3	Is the business model of universities published by Universities New Zealand a good characterisation? Are there aspects of the business model of universities that it does not explain?	Page 11

Q4**What is the business model of ITPs? Do the business models of ITPs vary significantly? In what ways?****Page 12****Q5****What are the business models of the three wānanga?****Page 12****Q6****Do the business models of PTEs have common characteristics?****Page 12****Q7****What are the implications of economies of scale in teaching (and the government funding of student numbers) for the delivery of tertiary education in different types of providers and for different types of courses and subjects?****Page 12****Q8****How does competition for student enrolments influence provider behaviour? Over what attributes do providers compete? Do New Zealand providers compete with one another more or less than in other countries?****Page 12**

Q9

What are the implications of fixed capital costs for the business of tertiary education? Do differences in the capital structure of different tertiary institutions have important implications for the delivery of tertiary education?

Page 13**Q10**

What are the implications of the multiple activities of tertiary education for its delivery? What outputs are best produced together? What outputs are best produced separately?

Page 13**Q11**

What are the benefits and disadvantages, in terms of students' learning outcomes, of bundling together research and teaching at universities in New Zealand?

Page 14**Q12**

What value is attached to excellence in teaching compared to excellence in research when universities recruit or promote staff?

Page 14**Q13**

Do New Zealand TEIs cross-subsidise research with teaching income?

Page 14

Yes we do. An NZQA approval condition of the degrees we offer/deliver is that a majority of teaching staff is engaged in research. So, naturally, part of their pay, derived from TEC funding, goes into their research hours.

Q14

What other evidence is there about what makes for effective teaching in a tertiary environment? Is it different for different types of learning or student? How can teaching effectiveness be best measured and improved?

Page 17**Q15**

How do tertiary providers assess, recognise and reward teaching quality in recruitment and career progression? To what extent do tertiary providers support the professional learning of teachers?

Page 19

There is almost no resourcing for this, so it rarely happens. When it does, money has to be squeezed out of the budgets.

Q16

How do New Zealand tertiary providers use student evaluations? How does this influence provider behaviour?

Page 19**Q17**

In what ways and to what extent do employers interact with tertiary providers in New Zealand? Are there practical ways to encourage employers to have greater or more productive involvement in the tertiary education system?

Page 21**Q18**

What are the similarities and differences among ITOs, or between ITOs and other tertiary subsectors, in how they operate?

Page 21

Q19**What makes for a successful ITO in terms of meeting the needs of firms for skilled staff? Page 21****Q20****How effective is the ITO model in meeting the needs of learners and firms? Page 21****Q21****What arrangements for arranging workplace training and apprenticeships in other countries could New Zealand usefully learn from? Page 21****Q22****Is the current architecture a good fit for a tertiary education system? What are its advantages and disadvantages? Are there good alternatives? Page 24****Q23****How effective is the TES instrument at giving government education agencies direction about prioritising resources and making trade-offs in carrying out their roles? What are the benefits and risks, in terms of fostering an innovative system, of a more or less directive TES? Page 24**

It seems to me the major impediment to effective teaching and quality outcomes, PTEs especially, is the over-bearing influence of funding on decisions. We, and other PTEs, I'm sure, long to be able to make quality decisions in terms of how we deliver programmes and assess and judge student learning and ultimate quality. Yet the all-consuming driver of what we do is how to preserve our funding (SAC and YG in our case). To ensure funding for next year, for example, we have to (1) promise something we can't control (eg, how many students we expect in next year's programmes), (2) accept as many students as we can to reach our 'cap', and (3) 'pass' as many students as we can to ensure our 'completions' meet TEC targets. This is a

terrible model for ensuring high quality education. (1) is close to crystal ball-gazing. (2) forces us to accept students who don't really meet entry criteria. Interviewing staff have uneasy feelings about a student, but feel they have to accept him/her because the cap demands it, and then that student becomes a real threat to our completions, notwithstanding superhuman staff efforts to get him/her through. (3) forces tutors to pass students who don't really deserve to pass - contributing to the low academic quality of graduates - and even enormously tempts institutions to 'cheat' on allowing students to complete. Institutions who try to maintain their integrity in graduating students, and who 'fail' some students, are penalised by their relatively low completion rate. Everything seems to mitigate against honest, quality, meaningful academic outputs and outcomes. Until government can circumvent the need for quantitative statistics to judge a provider's quality, and find other ways, our tertiary education system will be fragile and fall short of desired standards.

Q24

How do other instruments (eg, funding mechanisms, letters of expectation, budget initiatives) influence government agencies' behaviour? How do these align with the TES instrument?

Page 24**Q25**

When do the TEC's independent funding role and its Crown monitoring role align, and when are they in tension?

Page 25**Q26**

What are the pros and cons of different quality assurance arrangements for universities to those for ITPs, wānanga, and PTEs?

Page 26

Our most recent EER report seemed draconian. The evaluators didn't seem to understand the quality that we are trying to provide, seemed to ask questions that were off the mark of what we actually do, and didn't recognise the good things we tried to draw to their attention. They seemed to have their own agenda, even though they asked us to set the agenda. There was little of the 'support' aspect that one might expect from such an influential government department. It was not a helpful process in fostering good tertiary education.

Q27

How do New Zealand's government institutional arrangements for tertiary education compare to those in other jurisdictions?

Page 27

Q28

In what ways does a focus on educating international students complement or undermine the other goals of tertiary education providers?

Page 31**Q29**

What factors best explain the discrepancy between growing levels of tertiary education attainment without a significant productivity dividend?

Page 34

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Q30

What are the best measures to determine whether the tertiary education system is working well?

Page 36**Q31**

What other evidence is there about the influence of tertiary education system performance on graduate income premia in New Zealand?

Page 38**Q32**

To what extent are graduates meeting employers' expectations with respect to hard or technical skills? What about soft skills and capabilities?

Page 47

Q33

What are the significant trends in employer demand for tertiary-educated employees, and in student demand for tertiary education? How is the system responding?

Page 50

Q34

What is being done to develop, assess and certify non-cognitive skills in tertiary education in New Zealand? Do approaches vary across provider types, or between higher, vocational, and foundation education?

Page 51

Q35

What are the implications of new technologies that are predicted to make many currently valuable skills obsolete? Will this change the role of the tertiary education system?

Page 53

Q36

What challenges and opportunities do demographic changes present for the tertiary education system?

Page 55

Q37

What evidence is there on the effect of tuition fees on student access to, or the demand for, tertiary education in New Zealand?

Page 60

Q38**What are the likely impacts of domestic student fees increasing faster than inflation?****Page 60****Q39****What impact has the pattern of government spending on tertiary education had on the tertiary education provided?****Page 61****Q40****How have providers' input costs and revenue changed over time? What are the implications of these changes?****Page 62****Q41****How might Baumol's cost disease or Bowen's law (discussion of which tends to focus on providers like universities) apply in other parts of the tertiary education system?****Page 64****Q42****What specific technologies should the inquiry investigate? Why?****Page 67****Q43****What parts of the tertiary education system are challenged by ongoing technological change? What parts can exploit the opportunities created?****Page 67**

Q44

How has internationalisation affected New Zealand’s tertiary education system? What are the ongoing challenges and opportunities from internationalisation of the tertiary education system?

Page 71

Q45

Is the “New Zealand” brand an important part of international competition for students, staff, and education products and services? What should providers and government do to manage or enhance this brand?

Page 71

Q46

What other trends provide challenges and opportunities for the tertiary education system?

Page 71

Q47

What trends are likely to be most influential for the tertiary education system over the next 20 years?

Page 71

Q48

Are there other important types of new model that should be included within the scope of this inquiry?

Page 74

Q49

What new models of tertiary education are being implemented in universities, ITPs, PTEs and wānanga? How successful have they been?

Page 74**Q50**

Are current quality assurance and accountability arrangements robust enough to support a wide range of new models?

Page 75**Q51**

How might new models of tertiary education affect the New Zealand brand in the international market for tertiary educations, students, education products and services?

Q52

What can be learnt from the tertiary education systems of other countries? Are there models that could be usefully applied here?

Page 77**Q53**

What measures have been successful in improving access, participation, achievement and outcomes for Māori? What measures have been less successful? Why?

Page 78

Q54

What measures have been successful in improving access, participation, achievement and outcomes for Pasifika? What measures have been less successful? Why?

Page 79

Q55

What measures have been successful in improving access, participation, achievement and outcomes for at-risk youth? What measures have been less successful? Why?

Page 79

Q56

What measures have been successful in improving access, participation, achievement and outcomes for those with limited access to traditional campus-based provision? What measures have been less successful? Why?

Page 79

Q57

What measures have been successful in improving access, participation, achievement and outcomes for people with disabilities? What measures have been less successful? Why?

Page 79

Q58

What measures have been successful in improving access, participation, achievement and outcomes for adults with low levels of literacy or numeracy? What measures have been less successful? Why?

Page 79

Q59

How innovative do you consider the New Zealand tertiary education system is? Do you agree that there is “considerable inertia” in the system compared to other countries? If so, in what way and why?

Page 81**Q60**

What are the factors associated with successful innovation in the tertiary education system?

Page 81**Q61**

What are the benefits to innovators in the tertiary education system? What challenges do they face in capturing these benefits?

Page 81**Q62**

What are the barriers to innovation in the tertiary education system? What might happen if those barriers are lowered?

Page 81

We developed what we thought was an innovative, promising course/model for training advanced software developers, and NZQA turned us down on what seemed like a technical/administrative basis.

Q63

How well do innovations spread in the tertiary education system? What helps or hinders their diffusion?

Page 81

Q64

How successful was the Encouraging and Supporting Innovation fund in promoting innovation in the tertiary sector? What evidence supports your view? **Page 83**

Q65

Are there examples where the New Zealand Government has directly purchased innovation or innovative capacity in tertiary education? If so, was it successful? **Page 83**

Q66

How easy or hard is it for a new provider or ITO to access TEC funding? **Page 84**

Q67

Does the programme or qualification approval process via NZQA or CUAP enable or hinder innovation? Why? **Page 85**

Q68

What impact has Performance-Linked Funding had on providers' incentives to innovate? **Page 86**

Q69

How much does funding shift between PTEs based on assessments of performance? Whose assessments are they, and what are they based on?

Page 88**Q70**

How much does funding shift inside a TEI (eg, between courses, academics, or faculties) based on assessments of performance? Whose assessments are they, and what are they based on?

Page 89**Q71**

What influences tertiary providers towards offering a broad or narrow range of course offerings? What are the advantages and disadvantages (for providers, students, and the sector as a whole) of a relatively homogenous system?

Page 89

I work for a relatively large, broad-based PTE. We try to offer a broad range of courses in different fields. Diversification has its advantages but, to be honest, we are vulnerable to competition from single-focus providers, and I can't help thinking single-focus would be simpler to manage. If providers were all single-focussed, without much competition and splitting of the client pool, but obviously still with high standards, education would be less splintered and the sole providers could pour themselves into their one area of expertise. You'd conceivably have smaller providers but with fuller (guaranteed?) occupancy and the ability to deliver expert programmes.

Q72

Do New Zealand's tertiary policy and regulatory frameworks enable or hinder innovation? What might happen if existing constraints are loosened?

Page 90**Q73**

How do intellectual property protections in tertiary education foster or hinder innovation? Are the effects different in different parts of the system or for different kinds of provider?

Page 91

Q74**How does the Crown’s approach to its ownership role affect TEI behaviour? Is it conducive to innovation? Page 92**

I think it stifles innovation (mainly because of the funding shackles tied to EPIs). The Crown, understandably, and the taxpayer as well, want accountability for its expenditure; but this has squeezed us into a straitjacket of funding hoops, and educational and academic imperatives have been lost.

Q75**Do regulatory or funding settings encourage or discourage providers from engaging in joint ventures? If so, how? Page 93****Q76****How do regulatory or funding settings encourage or discourage providers from seeking external investment? Page 93****Q77****How do tertiary providers create incentives for internal participants to innovate? What kinds of choices by providers have the biggest “downstream effects” on their level of innovation? Page 93****Q78****What incentives do government education agencies have to innovate in the way they carry out their functions, both within and across agencies? What constraints do they face? Page 94**

