AKO AOTEAROA
NATIONAL CENTRE FOR
TERTIARY TEACHING
EXCELLENCE

Submission on *New Models of Tertiary Education Draft Report*

Executive Summary

We congratulate the Productivity Commission for producing what is a comprehensive exploration of issues faced across the entire spectrum of tertiary education. This inquiry represents the most significant and extensive investigation of the system since the work of the Tertiary Education Advisory Commission, and it has engendered valuable, wide-ranging discussion and reflection in all sectors.

Ako Aotearoa has approached our submission on this draft report through a teaching and learning lens; our focus is how well our tertiary education system supports the best possible outcomes for learners, and how the Commission's recommendations are likely to lead to or hamper such a system. As part of this, the settings and incentives in our system should focus on encouraging and supporting a co-production approach to learning – embodied in our context by the concept of ako.

The key points in our submission are as follows:

- We appreciate the way that the Commission has approached the concept of innovation and 'new models' in this report. In our view an innovative system is one that is more effective and responsive to the needs of learners, rather than one that makes use of specific technologies or approaches; we believe that the Commission's work accords with this.

- We believe that the system is more diverse than the Commission gives it credit for, and also note that comparative homogeneity – in the sense of 'consistency' – is not necessarily a negative if it represents widespread good, effective, outcomes for learners and other stakeholders. However, we do agree that inertia can develop over time (both inside and outside the education system), quality assurance systems can over-correct and stifle innovative practices, and that parts of our current funding system discourage risk-taking. It is important that our system manages these tensions.

- In our view the draft report focuses too strongly on deregulation as a method for increasing innovation. Empirical evidence appears to demonstrate that 'more market' approaches in education do not lead to significant growth in innovative practice, and deregulation may not address other barriers – particularly those internal to organisations, or structural impediments such as workforce issues. We would be pleased if the final report included greater exploration of how innovation can be *encouraged* rather than simply *not discouraged*.

- We are highly concerned that the draft report does not include recommendations directed specifically at making the system more effective and responsive for Māori and Pacific learners (and the communities to which they belong). The draft report summarises long-standing and well-recognised 'achievement gap' issues, but does not include advice as to how the performance of the tertiary system could be improved; given the importance of these areas we would have welcomed the inclusion of a specific section or sections within the report dedicated to these areas. We also note that the report likewise includes little discussion of other key

learner groups highlighted in the Issues Paper (including at-risk youth, those with limited access to campus provision, people with disabilities, and adults with low levels of literacy and numeracy) other than to note the lack of information on how well our system serves many of these learners.

- Although the report discusses the concept of a learner-centred system, the Commission's analysis largely frames this in terms of learners as consumers within a market that responds to their purchasing power. Although superficially this appears to involve 'active' participation by learners, it is in fact a passive system – learners are simply consumers of an independently-developed product, with their only active role being choosing which product to consume. We believe that a genuinely learner-centred system is one in which learners are active participants in all parts of the system, including programme design, governance, quality assurance, and the like. This is an extension of the co-production approach to learning practice, and represents recognised good practice (in such forms as the Scottish sparqs-based model); we would welcome the inclusion in the final report of recommendations around enhancing active learner voice at all levels of the system as a robust alternative to the Student Education Account proposal.

- Our views on the specific recommendations outlined in the draft report, and where these are discussed in the main body of the submission, are summarised in the table below.

Recommendation	Position	Submission Paragraph(s)
12.1	Support (with caveats)	52
12.2	Support (with caveats)	34, 35
12.3	Do not support	30-33
12.4	Support	35
12.5	Support	50
12.6	Support	56
12.7	Support	36
12.8	Support (with caveats)	34
12.9	Support (with caveats)	47, 49
12.10	Support (with caveats)	47-48
12.11	No specific view (with caveats)	37-38
12.12	No specific view (with caveats)	54
12.13	Support (with caveats)	34
12.14	Support (with caveats)	34
12.15	Support (with caveats)	34
12.16	Support	41-43
12.17	Support	44-46

12.18	Support	50
12.19	No specific view	53
12.20	No specific view	53
12.21	No specific view	53
12.22	Support/ support (with caveats)/ do not support	57
12.23	Support	51
12.24	Do not support	55
12.25	Mixed views	60
12.26	Do not support	59
12.27	Support	58
12.28	Do not support	39-40
12.29	*Not considered*	-
12.30	Support	56
12.31	Support	56
12.32	Do not support	61
12.33	Support (with caveats)	56

In closing, we would like to once again commend the Commission for its work on this inquiry, including its earlier Issues Paper, and its willingness to engage in good faith with the sector and other stakeholders. We look forward to the Commission's final report and the potential contribution of this to a responsive and effective tertiary education system for New Zealand.

Introduction

1. Thank you for the opportunity to comment on the Productivity Commission's draft report from its inquiry into new models of tertiary education.

2. As the National Centre for Tertiary Teaching Excellence, Ako Aotearoa's mandate is to support the best possible outcomes for all learners in tertiary education. We do this through supporting change projects that lead to sustainable benefits for learners, providing professional development, and leading discussion in the sector on key strategic issues. Our focus lies across the entire tertiary system, from postgraduate research degrees to fundamental skills and 'second-chance' learning, and involves all aspects of tertiary education that support good learner outcomes.

3. As with our earlier submission on the Commission's Discussion Paper, we have approached this submission through the lens of teaching and learning, and consequent impacts on learner outcomes. As noted in that submission:

    …we see the question of how well the tertiary education system supports new models as intrinsically linked to how well it supports quality practice. Innovation is not a goal in its own right, but rather a method of ensuring that learners have the best possible opportunities to achieve the best possible outcomes. (Ako Aotearoa, 2016; p4)

4. As acknowledged in the draft report (p284), ensuring positive outcomes for learners is best supported by a co-production model of learning which recognises that such outcomes emerge from the efforts of both teachers and learners. In our context, the Māori concept of ako—which refers to the reciprocal relationship between learner and teacher—resonates with the idea of co-production. It has parallels with emerging Western approaches to learning, assessment, and course design that emphasise a relational, social, and co-constructivist model of education.

5. In this view the act of learning and teaching is a dialogue between active participants rather than the transmission of content from an all-knowing teacher to a passive learner. We further note that the most effective uses of new learning technologies are grounded in this co-constructivist model. In our view, genuine innovation is best embodied in practices that encourage this co-production, and a system and policy framework that enable their use.

6. Due to the scale of the Commission's report and the complexity of many issues it raises, this submission concentrates primarily on the Commission's Recommendations. It also covers some areas where we believe notable gaps exist in the report. We have not generally discussed the Commission's individual findings and analysis except inasmuch as they relate to these points. Our earlier submission on the Issues Paper for this inquiry presents the thinking and evidence behind much of our commentary in this submission.

7. We understand that the government has already signalled it will not pursue the Commission's advice regarding the Student Education Account (SEA) and interest on student loans. We therefore have not discussed these parts of the report, although we note in passing that we do not support the Commission's conclusions in these areas due to their likely negative impact on learners.

Overall Commentary

8.   New Zealand's tertiary education system is complex, and we would like to congratulate the Commission for its work. The Commission's inquiry constitutes the most significant exploration of how our tertiary education system operates, its strengths, and its weaknesses, since the work of the Tertiary Education Advisory Commission at the turn of the millennium. The Commission's draft report is ambitious in scale, endeavouring to address a wide range of issues including quality assurance, funding and student support, the relationship between education and productivity, career guidance, inter-TEO transitions, and many more. Irrespective of which recommendations are eventually taken up, we believe that the Commission's work has been valuable for encouraging reflection and stimulating discussion about the future development of tertiary education in New Zealand.

9.   Regarding the definition of innovation and 'new models', we support the Commission's approach of focusing on the ability of the system and TEOs to innovate in a broad sense, rather than promoting the use of specific technologies, techniques, or the like. As noted earlier, our position is that for innovations to be genuinely beneficial their implementation needs to be linked specifically to better learner outcomes and framed within specific education contexts. Approaches and tools suitable for one such context (e.g. university-based postgraduate learning) may not work for another (e.g. regional foundation education) without significant adaptation.

10.   Encouraging innovation in our view therefore means encouraging effectiveness and responsiveness to the needs of learners – and in particular encouraging the co-production approach referred to earlier.[1] This includes such characteristics as reflective practice informed by current evidence, understanding the possibilities offered by (and potential downsides of) new technologies, and doing things in new and different ways when appropriate. In our view the Commission's approach accords with this position.

Homogeneity, Consistency, and Diversity

11.   We do disagree with the Commission's view that the New Zealand education system is relatively homogenous. This may be true within specific sectors and education levels; a degree programme at one New Zealand university probably does look much like a degree programme at another, as do programmes where industry has a strong influence on content and requirements (such as in many regulated professions). Overall, however, our system does display relative diversity – especially given its size.

12.   For example, the report acknowledges that wānanga are based on a fundamentally different education approach to that taken by other TEIs (and there is notable differentiation in focus between the three wānanga), while in vocational education and training there are significant differences between provider-based offerings and the workplace-based models arranged by ITOs. Within specific sectors there are clear organisation-level differences – for example, Unitec, the Open Polytechnic, and the Southern Institute of Technology have different strengths,

---

[1] We do acknowledge that other groups, such as industries and communities, have a strong stake in the outcome of the education system. In our view, however, these are usually best understood as extensions of outcomes for learners. For example, while a given industry will want appropriately skilled graduates from the system, in our view this is best treated as a learner-focused outcome: that their programme of study will give them appropriate industry-specific and broader employability competencies that will lead to good, sustainable, employment.

strategies, and approaches despite all being ITPs. Indeed, a diversity of approaches and business models is arguably one of the defining features of the PTE sector.

13. Moreover, it is important to note that relative consistency across a system is not intrinsically a bad thing. It can be a product of industry expectations and requirements, recognised good practices, or ensuring that learners – and the government – can have confidence in the quality of their education wherever and however they study. Indeed, in an evidence-informed system there is likely to be convergence around sets of approaches and models that demonstrate success.

14. We do, however, agree that considerable inertia can develop over time (both within TEOs and amongst learner, community, and industry 'consumers'), quality structures can over-correct and end up stifling the ability of organisations to test out new and innovative approaches, and that aspects of our funding system discourage the risk-taking that is often part of innovation. Although consistency and flexibility are not intrinsically opposed, they do create tensions that need to be managed.

Deregulation Versus Strategic Steering

15. We are disappointed that material in the draft report largely focuses on deregulation as the main vehicle for increasing innovation. We agree with much of the Commission's analysis and many of its findings (and support many specific recommendations). However, the underlying belief driving the nature of problems and solutions appears to be that removing barriers to market entry, relaxing quality assurance processes, and relying on consumer choice will inevitably lead to a system that is more innovative and responsive to learners.

16. We do not share the Commission's view that such deregulation is likely to lead to gains for learners, or significantly increase innovation in the sector; Probert (2015) notes in her analysis of quality in Australian higher education that "There is little empirical or historical evidence to support the argument that greater competition and less regulation will improve educational quality" (p2). For example, the most significant result of New Zealand's relatively light-handed regulation experiences during the 1990s was not a dramatic increase in innovative approaches, but rather a significant growth in low-quality programmes with poor learner outcomes. Similarly, moves to market models for higher education in the United Kingdom appear to have paradoxically lead to less differentiation at degree level (Keep; 2016), and comments to us from Directors of Academic Development in Australian universities suggest that under their current relatively deregulated model there is still considerable inertia and resistance to innovation in that sector.

17. Notably, while the report discusses the role of internal organisational features and practices – primarily organisational culture – in supporting and inhibiting innovation, most such features would not be directly affected by deregulation. Neither would related issues such as the demands of PBRF, the nature of our various education workforces (including the potential gains from greater professionalisation) etc.

18. A deregulated system with loose quality assurance would likely be welcomed by many TEOs, particularly since such a system would make it easier to continue their current practices. In our

Ako Aotearoa Submission on Draft Report of Inquiry into New Models of Tertiary Education.docx
November 2016

view, however, encouraging innovation depends not simply on a system that permits it to occur, but also active external engagement from bodies such as government agencies, communities, and industries. This is particularly the case given our position that the system should not be simply trying to foster innovation for innovation's sake, but rather innovation with purpose – i.e. better learner outcomes (including personal, cultural, and employability outcomes).

19. We disagree with the Commission's finding (4.4.) that the existence of strategies to improve coordination and links between education and work represents a failure of the education system *per se*. Rather it is important to recognise that barriers in communicating across the employment-education divide are common, and addressing these barriers often requires explicit mechanisms, including statutory professional regulation, bodies with skills leadership functions and the like.[2] We would therefore welcome the Commission paying additional consideration in its final report to how we can encourage greater collaboration or more strategic orientation within our system, such as creating skills ecosystems or stronger community engagement.

20. In this vein, it is noteworthy that the report adopts a 'negative' approach to its work: it starts from the position that the system inhibits innovation and then looks for reasons as to why this is the case. However, the report itself also contains examples of innovation that are occurring in the sector (as does the body of work we have funded since 2007). It would have been interesting for the Commission to make at least partial use of a Success Case methodology, in which it explored the conditions in which innovation *does* occur in the current system, and then discussed how these conditions can be fostered more widely.

21. Building on this, we are concerned that at times the Commission does not appear to have sought evidence for why current arrangements exist, and instead accepted that because these constrain TEOs in some way they should *ipso facto* be eliminated. Similarly, we note that it is difficult to gauge the robustness of some findings presented by the Commission that appear to rely on individual anecdote (such as the claim that NZQA requires a formal application to change the floor on which a programme is delivered), or questionable claims that do not seem to have been evaluated (such as CUAP processes leading to innovative programmes being vetoed by competitors). As noted in the commissioned commentary from Hawke (2016), there are many 'ritualistic anecdotes' regarding problems with the tertiary education system; as well as the dissatisfaction with graduate skills and learner preparedness Hawke refers to, we would note that having to comply with external requirements and regulations are another perennial source of complaint. It is important to look behind these complaints and understand the context in which they emerge.

22. For example, we see the report's reference to monopolies on provision as problematic – with the exception of some specific, high-cost areas there are few true education monopolies in New Zealand. There are minimum quality standards that may lead to *de facto* monopolies because other TEOs are not willing to invest sufficient resources, and this may be frustrating for a TEO that sees a potential income opportunity that it cannot pursue. These standards, however, are

---

[2] We note here that the report is very much focused on the 'supply-side' of education. There is little discussion of 'demand-side' issues, or how the skills and knowledge gained from education are used (such as issues of utilisation or deployment), despite these being key to achieving good longer-term outcomes from the system.

intended to protect the interests of learners; in our view it is appropriate that these interests should be privileged over those of TEOs.

Responsiveness to Māori and Pacific learners, and marginalised groups

23. We are particularly concerned at the lack of recommendations designed to support both Māori and Pacific learners. The report acknowledges that our system does not work well for these learners and summarises the extensive evidence for this; we strongly support the Commission's view and its related formal findings (8.9 and 9.3). However, the report does not include any recommendations as to how these system failures can be addressed;[3] the Commission appears to assume that more competition within the education system will inevitably lead to TEOs being more responsive to both Māori and Pacific learners. In contrast, we would argue that such a system would provide few incentives for most organisations to improve their performance for these communities. This is particularly the case given that these poor outcomes are long-standing and well-recognised, and yet progress in addressing them has been slow.

24. Given this, we would have preferred that the Commission specifically explored why the system continues to not successfully respond to the needs of Māori and Pacific learners,[4] discussed specific innovations that *have* been developed in response to the needs of these learners, and then developed recommendations that would support such innovation. This would have provided a strong positive basis for improving Māori and Pacific outcomes.

25. We also note that the Commission's Issues Paper highlighted the need for our system to be responsive to other groups of learners – specifically at-risk youth, those with limited access to campus-based provision, people with disabilities, and adults with low levels of literacy and numeracy. However, the draft report is almost completely silent on outcomes for these communities and how they can be improved. The report acknowledges the paucity of information on some of these groups (p207), but as the Commission states on p309 "imperfect information should not delay action". Indeed, it would be appropriate for the Commission to specifically recommend that more attention should be paid to the performance of our system for these vulnerable learners.

The Position of Learners

26. We believe that the Commission could have approached the position of learners in the system in a more 'active' way. While the draft report discusses the concept of a learner-centred system, this is largely in context of the learner as informed consumer within a market that responds to their purchasing power – referred to in Chapter 12 as "Harnessing Learner Demand to Drive Quality" (p303).

---

[3] Indeed, the Commission's recommendation to restore interest on student loans would have a disproportionately negative impact on Māori and Pacific learners, who experience lower income premia from their education than Pakeha and Asian learners (Mahoney, 2014). Perversely, these learners would in practice end up paying more for their education than non-Māori and Pacific graduates, *because* they experience poorer outcomes from that education.
[4] It is critical to note that the nature of this system failure will be different for Māori and Pacific learners (although there are also likely to be common areas).

27. This approach positions learners as essentially outside the education system and passive recipients of a product into which they have no input; TEOs create programmes and offer them to learners, and then the learner selects which programme to purchase. The Commission does not appear to envisage learners as active participants in the *system* of education, with a role to play in areas such as organisational governance, quality assurance, and the like. Although the report recognises the role of active student voice in driving innovation at individual course and programme levels (p284) it fails to acknowledge this when considering the system as whole.

28. Our submission on the Commission's Issues Paper argued for enhanced and active learner voice as a key method of ensuring that our tertiary education system is genuinely learner-centred. In response to the Commission's Question 12.9, this is an alternative to the proposed SEA that would be much more likely to lead to genuinely learner-centred provision, and we would welcome the Commission including in its final report a recommendation (or set of recommendations) relating to effective student voice and engagement in New Zealand.

29. This position is consistent with the ako/ co-production model of education referred to earlier; just as 'teaching' should involve active participation by both learner and practitioner, so should TEO-level and system/policy-level structures actively include the learner voice. It is also at the heart of global standard models for student engagement such as the Scottish system referred to in our submission on the Issue Paper.

Specific Recommendations

Ensuring Quality

30. We are unsure what the Commission means by Recommendation 12.3, and specifically the scale of change that it envisages. There are undoubtedly specific ways in which the detail of both NZQA and AQA/CUAP's approach to programme- and TEO-level quality assurance can be improved. However, wholesale revision has the potential to create significant disruption for organisation, practitioners, and learners for little meaningful gain.

31. In particular, as noted in our submission on the Issues Paper, we believe that NZQA's current model of internal Self-Assessment (SA) and External Evaluation and Review (EER) appears to be working well and we would strongly oppose developing a new approach to organisational quality assurance for the non-university sector. In our view this model not only represents an example of innovative, world-leading practice in its own right, but also represents an example of a process designed to balance the tensions between consistency and flexibility referred to earlier in this submission.

32. We also note that NZQA's 'post-Review' model for sub-degree qualifications is both relatively new, and appears to embody the approach the Commission envisages. Specifically, this model involves establishing a specific set of expected outcomes and pathways in the form of a national qualification, and then allowing significant flexibility in programme design and delivery. This is intended to allow innovation in practice and delivery while ensuring consistency for learners.

33. For the university sector, this recommendation appears to be tied to Recommendation 12.12 regarding the statutory functions of Universities NZ/ the New Zealand Vice-Chancellors' Committee. As discussed later in this submission, we do not have a specific view on the future

of Universities New Zealand. However, we do believe that there is significant scope for more engagement and alignment between the quality regimes for university and non-university sectors – this could be achieved without removing the statutory functions of Universities NZ.

34. We do support several of the specific recommendations made by the Commission regarding quality assurance and performance measurement. Some of these appear to be relatively small-scale (such as the possibility of extending the EER Review timeframe for Category 1 TEOs from three years to four years, or clarifying when a change of delivery site becomes a "type two" change for programme approval purposes) that we would expect to be addressed through normal ongoing review of the system, while others seem inherent within the SA and EER regime. We therefore support NZQA considering recommendations 12.2, 12.8, 12.13, 12.14, and 12.15 to the extent that it is not currently doing so (or has not previously).

35. We strongly support Recommendation 12.4's focus on information relating to the value-add element of tertiary education, and particularly welcome the Commission specifying that this should relate to different groups of students. We discussed deficiencies in current approaches to performance measurement and argued for such a value-added approach in our submission on the Issues Paper, and welcome the Commission's conclusions in this area. We likewise support 12.2's suggestion that 'providers' make greater use of *ex-post* assessment to understand the quality of their offerings.[5] Given the need to support success for *all* learners, we would strongly recommend that the language in this recommendation be revised to include reference to outcomes for different groups of learners, as per 12.4.

36. In keeping with this focus on value-add, we also support Recommendation 12.7 to discontinue Performance-Based Funding. We agree with the Commission's view that this regime creates disincentives to innovate due to the risk of 'failure' inherent in any attempt to trial and implement new models or approaches to education. This regime likely had initial benefits in that it led to TEOs re-examining the programmes they offered, eliminating poor-quality ones, and in many cases paying more attention to their teaching approaches. However, now that it has been in place for an extended period we believe that ongoing gains from this regime are likely to be small and outweighed by the aforementioned disadvantages. In our view, it is more appropriate for performance to be addressed through a mix of TEO-level quality assurance, NZQA's new approach to sub-degree qualifications and programme management, and more active use of investment plans by the TEC.[6]

37. We do not have a specific view on Recommendation 12.11 regarding self-accreditation, other than the core concern of any self-accreditation regime must be ensuring that learners can still have confidence in the quality of their education. We do note that the Commission has not discussed how such an arrangement might relate to the new environment for sub-degree qualifications. For example, we assume that self-accrediting TEOs would still participate in national consistency events; as well as their quality assurance function, these are opportunities

---

[5] We are unsure if the Commission has purposefully chosen to exclude ITOs from this recommendation. We see no reason that ITOs cannot or should not use such approaches, and would encourage appropriate rewording of the recommendation.
[6] Note that this does not mean that performance should no longer be monitored by government agencies. Rather, information from well-designed performance indicators and other sources can be used to, for example, inform more strategic use of investment plans.

for those involved in delivering or arranging programmes leading to a qualification to share good practice in such delivery. It would be disappointing for a self-accredited TEO – who by definition should be engaging in good practice – not to contribute to this.

38. We also note that it would be possible to give organisations self-accreditation rights around programmes, while not exempting them from regular external review at the TEO-level. For example, the EER model is based on evaluating the systems that TEOs have in place to effectively assess their own quality and performance; it would appear appropriate for self-accrediting TEOs to still participate in this process as a basis for ensuring that they continue to meet the standards necessary to self-accredit at the programme level.[7] For universities – notwithstanding the Commission's other recommendations – the length of time between AQA cycles would make it reasonable for this to be the point at which self-accrediting status was reviewed.

39. We strongly oppose Recommendation 12.28, as this appears to suggest that international education organisations from these jurisdictions should automatically have the right to provide publicly-subsidised programmes leading to formal qualifications without any oversight from NZQA. We believe that there would be significant danger of this leading to low-quality 'fly-by-night' provision that created poor outcomes for learners. Notably, for sub-degree qualifications this recommendation creates the possibility of an international programme being offered that does not have the same graduate outcomes or pathways available that are required for the corresponding New Zealand qualification, thus undermining the principles of the qualification system and the new programme environment, and misleading both learners and other users (e.g. employers, TEOs engaging in RPL etc.).

40. Our understanding of current arrangements is that organisations (including those based overseas) can offer their own training or accreditation programmes without NZQA approval.[8] Approval is, however, required for such programmes to lead to formal New Zealand qualifications, for providers to be eligible for public funding, and to allow learners access to student loans and allowances. In our view this is entirely appropriate, as it preserves the integrity and reputation of our qualifications framework, protects the government's investment, and mitigates against students taking on significant debt for low-quality programmes.

41. We strongly support Recommendation 12.16 that providers should be required to adopt teaching standards frameworks. These are important tools for ensuring consistently high levels of practice and 'professionalising' the role of tertiary educator across the system, and are becoming increasingly common internationally. In our submission on the Commission's Issues Paper we highlighted the Australian University Teaching Criteria and Standards Framework (AUTCAS, n.d.) and the United Kingdom Professional Standards Framework (Higher Education Academy, 2011), and we are supporting work on developing frameworks specific to New Zealand tertiary education contexts as well as the possibility of international accreditation.

---

[7] We believe it is difficult for TEOs to argue that this regime constitutes a barrier to innovation given that the core of an evaluative approach to quality assurance (as opposed to an audit model) is that organisations have significant autonomy in defining how they approach and assess indicators of quality.
[8] For example, many software companies offer 'in-house' professional certification for their products, private consultancies offer training in business methodologies etc.

42. We do, however, note that these frameworks do not need to operate only at the level of individual practitioners. Probert (2015) argues that – similarly to our discussion of the PBRF below – it may be more appropriate for these frameworks to operate at higher levels; this may not involve assessment or accreditation of an individual educator, but rather demonstrating commitment to high-quality teaching within a programme or department. This would highlight the importance of organisational features such as well-developed professional development schemes, thus making those levels more accountable for their support of high education standards and outcomes.

43. In discussing teaching standards, it important to recognise the implications of growing use of e-learning and technological change more broadly. These changes have clear potential to improve outcomes and access for learners, but at the same time they will require TEOs to adopt strategies – including support for professional learning and development, and greater practitioner access – to ensure that staff can make full use of their potential. For example, in addition to the work on a New Zealand e-Learning Maturity Model (Marshall *et al.*, 2012) referred to in our Issues Paper submission, the upcoming report from our funded project *Learners and Mobile Devices: A framework for enhanced learning and institutional change* (Frielick *et al.*, forthcoming) discusses key strategies for supporting effective m-learning approaches.

Research and Teaching

44. We strongly support Recommendation 12.17 regarding s253B (3)(a) of the Education Act 1989.[9] As outlined in our submission on the Issues Paper, while having research-active staff is critical for post-graduate education, at degree-level the focus should be much more strongly on the ability of the practitioner to teach. Although research work can certainly complement undergraduate teaching, as the Commission notes there is little evidence that research in its own right leads to better teaching. Being research-active does imply that a practitioner is up-to-date with the most recent developments in an area, but it is quite possible to be an excellent educator and possess a deep, sophisticated understanding of one's discipline without engaging in research work.

45. We do recognise, however, that for some in the tertiary sector a strong connection between research and teaching is an important principle of degree-level education regardless of evidence for its effect. We also note that the term "relax" in the recommendation could refer to a variety of changes. An example of a compromise between the 'evidence-based' and 'principle-based' positions might be amending the Education Act 1989 to require that degree teaching occurs in a research-active or research-informed environment. This would maintain the link between research and degree teaching at contextual and conceptual levels, while allowing a focus on teaching at the practical level.

46. In passing, we are surprised that the draft report's recommendations do not address the position of the Performance-Based Research Fund. The Commission's Terms of Reference do

---

[9] We would like to reaffirm the notion that integrating research and education, and the majority of staff being active researchers, is a defining feature of universities as a type of provider. We have taken Recommendation 12.17 to refer specifically to the teaching of undergraduate/ Bachelors degrees, and would oppose relaxing the requirement for most university teaching staff to be research-active.

not necessarily position research funding as outside the scope of its inquiry, and the report also acknowledges that the drivers created by this fund are perceived to create difficulties for practitioners who wish to focus on teaching.[10] As noted in our submission on the Issues Paper, we believe that the government should consider moving the focus of this fund up from the level of individual practitioners to a team- or unit-based model. This not only represents the dominant international model for such frameworks, but would reduce the pressure on research-active organisations to have every staff member maximise their research ranking. This, in turn, could give practitioners more leeway to concentrate or specialise as an educator, a researcher, or in a combined role.

Pathways, Transitions, and Career Development

47.   We strongly support the Commission's recommendations regarding improved career services (12.9) and the rationalisation of information sources intended to support study and career options (12.10). We have stated our concerns regarding these areas in our submission on the Issues Paper and at other times,[11] and agree with the commission's finding (12.14) that there are clear problems with our current system of careers services and information for learners.

48.   Regarding the consolidation of information sources, we believe that this process should be co-led by learners to ensure that the type and presentation of information is driven by their needs rather than the priorities or desires of particular government agencies. We would welcome the Commission revising Recommendation 12.10 to explicitly reflect this point.

49.   Regarding Recommendation 12.9, it is also critical that career management is not seen as simply a school-based activity; as noted in our submission on the Issues Paper this should be seen as part of a pathway approach to education and considered part of supporting ongoing/ lifelong learning. The upcoming integration of Careers NZ within TEC may result in greater visibility and priority for post-school career development and support, but much will depend on the implementation of that integration and the internal priority given to this function. We also note that this is not simply a matter of having career management services within TEOs, but also incorporating career competencies and planning into programmes, and providing quality support to those currently outside the education system.

50.   We strongly agree with the Commission's view that our system should enable learners to follow the education pathways that best suit their needs. We therefore support Recommendation 12.5 that TEOs should not be penalised for outcomes that involve students changing 'providers' or moving into employment,[12] as well as Recommendation 12.18 regarding the creation of a student ombudsman to adjudicate issues related to credit transfer.

51.   We also agree with the Commission's position that University Entrance serves little purpose in the current era, and symbolically undermines the principle of an integrated tertiary education

---

[10] Moreover, the PBRF rewards focusing on particular, highly-publishable types of research. At least anecdotally, this discourages work in other areas such as the teaching and learning dimensions of a discipline.
[11] See, for example, our submission on the TEC's *Information for Learners* work at https://akoaotearoa.ac.nz/ako-aotearoa-submissions
[12] As with Recommendation 12.2, we would welcome changing the wording of this recommendation to include ITOs.

system (by privileging university pathways). We strongly support Recommendation 12.23 that it be abolished.

Funding and Sector Regulation

52.   We support Recommendation 12.1 in the general sense that improved clarity of function and reduced conflict between (and within) government agencies is always to be welcomed. However, we also note that this recommendation lacks detail and immediately invites debate around what it would mean in practice.

53.   The financial regulation of Tertiary Education Institutions is outside our remit. Issues such as liability for rates and asset disposal requirements are in our view principally technical matters that – while they may indirectly impact on learner outcomes by affecting the financial position of TEIs – in and of themselves are unlikely to be closely related to learner outcomes (or, indeed, to the nature or scale of innovation in the tertiary sector). We therefore have no formal position on recommendations 12.19, 12.20, and 12.21.

54.   Likewise, we do not have a specific view on the future status of the Vice-Chancellors' Committee/ Universities NZ as a regulatory body (Recommendation 12.12), other than noting that any change to the existing statutory provisions should be made because there is clear evidence it will lead to better outcomes for learners. In this regard, we note that the draft report refers to submitters providing a range of views on the effectiveness and effect of the Universities NZ's regulatory functions, and that the report cites learners themselves as being satisfied with CUAP processes.

55.   We do not support Recommendation 12.24 that ITPs should be permitted to freely operate anywhere in New Zealand without first seeking TEC permission.[13] The regional focus of ITPs is – alongside their focus on skills-based education and applied research – the foundation of their distinctive contribution to our tertiary education system, and is one way of ensuring that regional needs are reflected in our national network of provision. Requiring ITPs to apply for approval and demonstrate the unmet demand they would meet by operating in another region ensures both that they prioritise investment in supporting their 'home' area, and that New Zealand does not end up with over-delivery in specific, highly-lucrative markets (while still allowing ITPs to offer outside-region programmes if these will genuinely benefit communities).

56.   Regarding the Commission's funding-related recommendations, we agree that the funding system should support multi-TEO provision (Recommendation 12.6), alternatives to 'learning hour'-based EFTS calculations should be explored (12.30), New Zealand and Managed Apprenticeship funding rates should be equalised (12.31), and performance-based funding should be ended (See earlier). We also agree that TEOs require funding certainty to facilitate strategic planning, and thus support in principle Recommendation 12.33 (notwithstanding any work that the TEC is already doing in this area). These are all likely to lead to a funding system that better supports TEOs to offer programmes that meet learners' needs.

57.   Regarding the three funding changes set out in Recommendation 12.22:

---

[13] The Open Polytechnic represents a special case, given its status as a dedicated distance provider.

- we see the cap on industry training at level 5 and above as unjustified and support its removal.

- we agree that the lower and upper limits on fundable course duration should be reviewed and potentially expanded (at both ends), but also believe it is important that some boundaries are maintained. This will prevent rorting of the system (e.g. through very short programmes that involve little actual, active learning) and ensure that learners are engaged in programmes of meaningful quality.

- we do not support the Commission's recommendation that public subsidies be extended to learners who do not intend to pursue a qualification, particularly given that analysis by the Ministry of Education shows that non-completion of a qualification is associated with poor outcomes for learners.[14] Instead we would recommend greater use of Supplementary Credit Programmes and Limited Credit Programmes – potentially in concert with initiatives such as micro-credentialling – to account for learners who wish to undertake short, highly-focused programme.

58.   We support in principle Recommendation 12.27 that any TEI should be able to apply to change its provider type. However, our support for this is predicated on the assumption that any new process for doing so would be sufficiently robust as to protect the reputation of the various sub-sectors.

59.   We strongly oppose Recommendation 12.26 that any organisation should be able to refer to itself using protected provider type terms, such as 'university'. As the Commission notes (or is recommending in 12.27), an organisation that is genuinely in the nature of a given provider type can apply for such status. In contrast, Recommendation 12.26 would appear to permit organisations that do not meet appropriate standards to free ride on pre-existing reputations and status of a given provider-type, and runs the risk of misleading learners as to the nature of the programme in which they are enrolling.[15] In our view, a good TEO should seek to attract learners based on the quality of its practices and outcomes for learners – including educational, cultural, and employability outcomes – not the words on its doorplate.

60.   Although we support the overarching notion in Recommendation 12.25 that the Ministry of Education should regularly review barriers to entry for new providers, we do not share the Commission's view that the default position should be to remove these barriers – especially given that 'barrier' is a vague term that could refer to a wide variety of requirements, expectations, and obligations on a TEO. Rather, we would argue that where it can be shown that a particular identified barrier is unjustified on the basis of potential harms and benefits for learners, *then* that barrier should be removed.

61.   We do not see any reasoned rationale for Recommendation 12.32. An invoice for learners that includes government funding will in no way encourage innovation, in no way support learner decision-making or outcomes, and in no way lead to better-quality education practices. The

---

[14] See, for example, Mahoney (2011), Scott (2009), Tumen *et al.* (2015); although we do acknowledge that there is the possibility of different outcomes in the case of what might be termed 'purposeful' non-completion (i.e. when a learner enrols with the specific intent to only complete part of a programme).

[15] We are particularly concerned at the potential interaction of this with Recommendation 12.28, which would allow some offshore organisations to operate in New Zealand without NZQA oversight.

only basis for this recommendation appears to be an ideological view that public complaints about the cost of tertiary education are unjustified, and that learners should be discouraged from arguing for increased public funding of the system.

Conclusion

62. As noted earlier in our submission, the core reason for wishing to foster innovation and new models in tertiary education is to achieve better outcomes for learners. We believe that many recommendations contained in the draft report will support this, while we are concerned that others simply make it easier for TEOs (as a whole, or specific sub-types) to do business – irrespective of the effects of this on learners.

63. We have three specific concerns with the draft report: its focus on deregulation rather than positively encouraging innovative practice, its failure to provide guidance on how our system can better respond to Māori and Pacific learners (and vulnerable learner groups identified in the Commission's Issues Paper), and its reliance on a 'student-as-purchaser' rather than 'student-as-partner' approach to developing a student-centred system. We would welcome these concerns being addressed in the final report.

64. In conclusion, we would like to once again thank the Commission for the opportunity to provide input to this inquiry. Although our views and conclusions regarding specific issues may vary from those of the Commission, we strongly believe that to date the inquiry has contributed positively to discussion and debate about the underlying purpose of our tertiary education system, how well our system supports that purpose, and how we can make changes to improve it. We look forward to the Commission's final report.

Ako Aoteaora
November 2016

References

Ako Aotearoa. (2016). *Submission on New Models of Tertiary Education Issues Paper*. Wellington: Ako Aotearoa. Retreived from https://akoaotearoa.ac.nz/download/ng/file/group-4/ako-aotearoa-submission-on-issues-paper-for-inquiry-into-new-models-of-tertiary-education.pdf

AUTCAS. (n.d.) *Australian University Teaching Criteria and Standards Framework*. http://uniteachingcriteria.edu.au/

Hawke, G. (2016). New Zealand Producitivty Commission New Models of tertiary educaiton (Draft). Wellington: Productivity Commission. Retrieved from http://www.productivity.govt.nz/sites/default/files/Gary%20Hawke.%20Commentary%20on%20draft%20report%20New%20models%20of%20tertiary%20education%20Sept%202016.pdf

Higher Education Academy. (2011). *United Kingdom Professional Standards Framework*. York: Higher Education Academy. Retrieved from www.heacademy.ac.uk/sites/default/files/downloads/ukpsf_2011_english.pdf

Keep, E. (2016). *Markets Versus Systems – some reflections on a fundamental choice in skills policy*. Presentation to New Zealand Vocational Education and Training Research Forum, October 18-19. Retrieved from https://akoaotearoa.ac.nz/download/ng/file/group-4/markets-versus-systems--some-reflections.pdf

Mahoney, P. (2014). *The outcomes of tertiary education for Māori graduates: What Māori graduates earn and do after their tertiary education*. Wellington: Ministry of Education. Retrieved from https://www.educationcounts.govt.nz/__data/assets/word_doc/0004/147244/The-outcomes-of-tertiary-education-for-Maori-graduates.docx

___. (2011). *What do men and women earn after their tertiary education?*. Wellington: Ministry of Education. Retrieved from https://www.educationcounts.govt.nz/__data/assets/pdf_file/0015/104253/What-do-men-and-women-earn-after-their-tertiary-education.pdf

Marshall, S., Suddaby, G., Higgins, A., Gunn, C., Ronald, G. ... & Laws, M. (2012). *Understanding and Supporting Organisational Change in e-Learning*. https://akoaotearoa.ac.nz/organisational-change-e-learning

Probert, B. (2015). *The quality of Australia's higher education system: How it might be defined, improved and assured*. Office for Learning and Teaching Discussion Paper 4. Australian Government Office for Learning and Teaching. Retrieved from http://www.hes.edu.au/assets/HECQN-2015/Probert-Quality-Aust-HE-2015.pdf

Scott, D. (2009). What Do Students Earn After Their Tertiary Education?. Wellington: Statistics New Zealand and Ministry of Education. Retrieved from https://www.educationcounts.govt.nz/__data/assets/pdf_file/0003/170490/what-students-earn-after-tertiary-education.pdf

Tumen, S., Crichton, S., Dixon, S. (2015). *The Impact of Tertiary Study on the Labour Market Outcomes of Low-qualified School Leavers*. New Zealand Treasury Working Paper 15/07. Wellington: New Zealand Treasury. Retrieved from http://www.treasury.govt.nz/publications/research-policy/wp/2015/15-07/twp15-07.pdf