

Tertiary Education

OVERVIEW

National will work for a dynamic tertiary education system that ensures New Zealanders from all educational backgrounds have opportunities to gain world-class skills and knowledge, and are able to progress to higher levels of learning.

This will require a responsive, innovative, and diverse range of tertiary education institutions. We acknowledge the important role played by universities, polytechnics, wananga, industry training organisations and private training establishments.

Our policies will focus education providers on meeting the demands of students and the economy – not on meeting the bureaucratic demands of government agencies.

We favour a high-trust funding environment, with tertiary education institutions that work to clear, simple rules with minimal but effective oversight from government.

National's Tertiary Education Policy should be read alongside our Science, Research & Technology Policy, available at: www.national.org.nz/Article.aspx?ArticleId=28756

SIMPLIFY THE TERTIARY EDUCATION FUNDING SYSTEM

Over the past nine years, Labour's approach to tertiary education has lurched from allowing uncontrolled funding and arbitrary growth in low-quality courses, through to heavy-handed centrally driven control by the Tertiary Education Commission.

National will seek a better balance between, on the one hand, freeing up education providers to innovate and respond to economic and community demand and, on the other, ensuring the Government has certainty about overall levels of spending.

National will:

- Redirect \$315 million into the direct funding of science and research. This will go into research at universities and Crown Research Institutes, by being split 50:50 between:
 - An increase to the Performance Based Research Fund (PBRF), Marsden Fund, and Health Research Council (HRC) funding.
 - The creation of a new secure funding allocation system for CRIs.

This will be funded from savings from discontinuing the research and development tax credit. How much funding will go to each of the PBRF, Marsden Fund and HRC will be determined after discussion with the sector.

- Ensure that institutions have greater autonomy to provide tertiary education that responds to the needs and growth aspirations of the New Zealand economy, and their own communities.

Continued overleaf

- Ensure, through clear funding signals and spending controls, that providers of education and training are encouraged to offer the courses the economy needs and that students want – not the cheapest courses that attract the most government funding and are the easiest to run.
- Expect as a core function that education providers have strong links to local business so courses are relevant to rapidly changing job markets.
- Retain restrictions on the amount by which institutions are able to annually increase fees for publicly funded courses.
- Seek, over time, a more even-handed approach between public and private education providers.

REDUCE CENTRAL BUREAUCRACY

The Tertiary Education Commission, which was initially intended to be a lean funding body, has grown into a large and demanding agency that places an excessive compliance burden on education providers and stifles innovation.

National will cut back the complex Wellington bureaucracy because it has failed spectacularly to ensure value for taxpayers' investment in tertiary education.

National will:

- Clarify the role of the Tertiary Education Commission, trim its bureaucracy, and streamline its functions.
- Cut compliance costs and bureaucracy throughout the tertiary education sector.

STRENGTHEN QUALITY AND REQUIRE ACCOUNTABILITY

In recent years the Government's quality control systems have regularly failed, and providers have approved low-quality courses for the sake of the revenue those courses earn.

National wants to ensure that all publicly funded tertiary education courses are high quality and to encourage institutions to pursue the highest level of quality in their education provision.

National will:

- Where institutions are found to have approved dubious courses, or to have inadequate quality control systems, move quickly to revoke their ability to approve new courses.
- Ensure that information collected by the Government about the quality of publicly funded tertiary courses is made readily available to the public. This will include, for example, completion and retention rates.
- Allow education providers to set student selection criteria that reflect the skill levels needed for successful participation in their courses.

SUPPORT AND ENCOURAGE STUDENTS

National wants to ensure that New Zealanders from all walks of life are able to pursue their own educational ambitions.

National will:

- Retain interest-free student loans, retain CPI indexation of loans for living costs, and introduce a 10% repayment bonus for graduates who make voluntary repayments on their loans.
- Move, over time, to expand eligibility for student allowances.
- Introduce a 'voluntary bonding' scheme offering student loan debt write-offs to:
 - Graduate doctors, nurses, and midwives agreeing to work in hard-to-staff communities or specialties for three to five years. This will cost about \$3 million in year 1, \$6 million in year 2, and \$9 million in year 3.
 - Graduate teachers agreeing to work in hard-to-staff communities or subjects. We have allocated \$19 million in extra funding over the next three years for such a scheme.
 - Graduate vets agreeing to work in hard-to-staff rural communities. This will cost about \$1.5 million in year 1, \$3 million in year 2, and \$4.5 million in year 3.
- Boost the number of funded medical student places by 200 over five years. This will increase the total number of funded medical student places from 365 students a year to 565 – a boost of more than 50%.
 - We estimate this will cost \$3 million in 2010 (the earliest that universities are likely to be able to start boosting student places) \$7 million in 2011, and \$13 million in 2012.
 - This funding includes an allocation for extra infrastructure and staffing costs for universities, and comes from within the indicative education spending allocations outlined in the 2008 Budget.

IMPROVING THE INTERFACE BETWEEN SCHOOLS AND TERTIARY EDUCATION INSTITUTIONS

One in five New Zealanders leave school without a qualification. National is determined to better engage our young people in education and we think tertiary education institutions have a vital role to play in this. We will improve the interface between schools and tertiary education institutions through our Trades in Schools and Youth Guarantee policies.

National will:

- Provide a 'Youth Guarantee' universal education entitlement for all 16- and 17-year-olds. This will allow them to access, free of charge, a programme of educational study towards school-level qualifications.
 - Most will continue their education at school. However, the entitlement will allow 16- and 17-year-olds to access education at a non-school tertiary education provider if it can better meet their needs.
 - Courses offered under the Youth Guarantee will have to meet strict quality criteria. This new entitlement will be on top of, not instead of, the education entitlements young people have now.
- Require more flexible pathways between polytechnics and universities so students can transition more easily.