

## DRAFT REPORT OF THE PRODUCTIVITY COMMISSION

Comments by Nicholas Tarling, Emeritus Professor of History, 10 Handley Avenue, Devonport, 0624. n.tarling@auckland.ac.nz

A. Before I comment on the judgments offered in the draft and the major proposal offered at the end for our input, I wish to offer some more general observations.

1. I welcome the recognition that students are not 'customers', and note the notion that they are better considered as 'co-producers'. That makes the education industry quite different from other industries, where the role of the 'customer' is strictly that, buying or rejecting what is offered, being persuaded or not by the advertising of the new and improved, picking up 'specials', gaining flybuys or whatever is succeeding them. Yet quite often in the draft report the authors revert to giving students the 'customer' role, and treating the education industry just like any other, particularly in some of their quotations [e.g. p. 197] That surely is inconsistent.

2. I believe the authors may have taken what might be called the 'magnet' approach, pulling out of the filings things that support their proposals but leaving others behind. That undermines the persuasiveness of their judgments and suggestions. Some of the other remarks seem to derive from gossip. Is it significant that restaurants are at least twice used in their metaphors?

3. I note that the authors have refined their concept of 'innovation'. But they appear to have no very clear idea how innovation takes place. Some of the major scientific advances have been almost or completely accidental, produced by scientists while engaged in a different search. Some of the major changes – in particular, perhaps, those relating to the creation of the computer, the internet, and the cell-phone – have been incremental over a number of years – in that case more than half a century at least – building innovation on acquired knowledge. The authors do not take sufficient account of this, nor therefore of the need to conserve knowledge and treat it as the basis for innovation.

4. The authors are, not surprisingly, unable to tell us what the changes will be to which we will have to adapt, or, I would add, which we might hope to adapt for our own use. No one knows: a guess is often better than an extrapolation. But there is a disconnect between this situation and the homing-in on 'student-centredness'. Of course teaching at any level is bound to be student-centred. But it is not clear that students know what their 'needs' are or will be any better than anyone else at 'guessing'. The choice will be one they have to live with. What they should be assured of is that whatever it is it is of good quality. I believe that is best obtained on an institutional basis.

5. The authors are unduly fond of quoting material or examples from the US and, rather less, from the UK. But these are far bigger and wealthier countries, and the former at least better able to experiment, able to import expertise, and known for its wastefulness. We need to nurture our resources and secure and retain the best teachers that a small country can. The university system is a small one, and rightly includes collaboration as well as a measure of competition.

6. Even apart from the need to attract international students, we should make a maximum effort to preserve and enhance the quality of what we offer and the diversity of our offerings. In so far as universities and degree-teaching are concerned we should not

abandon the link between teaching and research. The tendency to refer to 'research universities' is regrettable: those that do not engage teaching and research [or 'bundle' them, to borrow the authors' Treasury-speak] have a doubtful claim to the title 'university'. The paper draws attention only to Notre Dame in Australia, and to two community colleges in the US [p. 152].

7. The term 'innovation' in the initial paper seems to have yielded its prominence in the draft to what is called 'value-add'. But nowhere could I find in the 402 pages a definition of what that might mean in tertiary or university education, nor indeed how it might be measured, particularly if it is 'co-produced'. Indeed the paper calls for 'government' investigation into it [p. 209].

8. The writers have competition very much in mind, much less cooperation. They try to treat the VCC as a 'cartel', without reflecting that value. Rightly, though somewhat inconsistently, they argue for 'pathways' for the student, for RPL, and transfer credits. Those concepts are not new, and are part of the cooperation that exists. If all the 'paths' were absolutely straight, surely there would be less diversity, not more.

9. As the authors note, Government has stepped in more than once, apparently with quite other aims in mind than educational needs. It seems that expenditure on the student loan scheme has been responsible for curbing enrolments and for AMFM. Presumably it was economy that also led to the removal of the funding for continuing education [p. 237], though it was hardly substantial and was a means of 'upskilling' as well as recreation. It is far from clear that the removal of the statutory basis of bodies like the VCC would diminish such interventions.

B.

1. As noted in the original paper, and again here on pp. 75 and 87, employers have preferred immigrants to locals. In this case the employers have had no input into the 'providers' and presumably do not care: maybe it is simply that immigrants accept lower wages.

2. '[T]ransferable skills' [p. 89] are difficult to identify except ex post facto. Yet it may still be that they are to be found rather in the arts and humanities subjects than in other more specific or experimental disciplines. The depletion of arts faculties seems nevertheless to be viewed nationally with indifference. There is no provision in the system for retaining subjects that are – it may be only temporarily – out of fashion. Nor do the writers recognise any such problem. A supermarket might make use of its large profits to try out a 'new' line. A 'similar' prospect is unavailable at universities.

3. The comments on 'student loans', pp. 112ff, seem to indicate that the system has not worked well - even apart from its impact on capping enrolments - in the sense that students are burdened with loans that, if not a lifelong burden, will influence their earlier years in respect of having children or buying accommodation. But adding interest back will not help.

4. The suggestion that TEIs spend on land and buildings in order to conceal visible surpluses [p. 155] is unfounded.

5. I question whether it can be said that academics are loyal to their discipline rather than their employers [p. 148]. Many have mixed both and would prefer to, though the changes

brought about by 'managerialism' have made it more difficult. Loyalty is not a one-way relationship. In any case the importance of loyalty to a discipline is surely one of the distinctive features of universities as against commercial corporations.

6. Increasing the proportion of undergraduate teaching given by fixed-term adjunct teaching may not be a good thing. [p. 156] There is a case for giving first-year students a taste at least of the qualities of the experienced staff. Electronic resources properly supplement ways of teaching rather than displacing them.

7. The draft often refers to student 'outcomes' [e.g. p. 164] without specifying how they would be defined and measured. Setting minimum standards may of course minimise the chances of the above average or extraordinary.

8. '[C]ross-subsidisation' [p. 166] may be a means of innovation.

9. I agree that there has been too little research on NZ tertiary education [p. 189].

10. I wonder how the remarks on student 'evaluations' [pp. 195-6] relate to the scheme outlined at the end of the paper.

C.

I do not comment in detail on the proposed scheme, but I view it as an impractical answer to the problems that the draft has sought albeit inadequately to identify. On p. 118, the draft points out that the current system gives ITPs 'little time to plan and prepare', and on p. 323 – hardly consistently with the emphasis on 'responsiveness' - it declares that '[s]hort times constrain innovation and new models'. The proposed scheme would make any planning difficult.

It would also increase the current waste of money on advertising. It would require a lot of central monitoring, including it seems the employment of 'trained individuals posing as students' [p. 301] [would they be agents provocateurs or merely spies?] and give the NZQA powers and duties which it would have difficulty in exercising. And it would be far from guaranteed against government intervention.

My own feeling is that in the end it would actually reduce the diversity in the system and limit its capacity to innovate. It would also reduce its reputation and its quality, which is not merely a matter of attracting overseas students, but important to New Zealand and New Zealanders as a whole.

Nicholas Tarling  
10 October 2016