# **New Zealand**

# Ensuring equal opportunities for students across socio-economic backgrounds

- Socio-economic status may significantly impact students' participation in education, particularly at levels of education that rely, in many countries, most heavily on private expenditure, such as early childhood education and care and tertiary education. This is less the case in New Zealand: private sources accounted for 16% of total expenditure in pre-primary institutions, slightly lower than the OECD average of 17%. At tertiary level, 47% of expenditure comes from private sources in New Zealand, compared to 30% on average across OECD countries.
- Tuition fees in public institutions in New Zealand are among the highest for a bachelor's programme across countries with available data. National students were charged USD 4 584 per year for a bachelor's degree in 2019, 20% more than they were charged on average in 2009.
- Financial transfers from the public to the private sector and direct public financial support to students may alleviate the financial burden of education. In New Zealand, 81% of national tertiary students received financial support in the form of public scholarships, grants and student loans. In 2018, public-to-private transfers represented 16% of total expenditure on tertiary institutions, higher than the OECD average of 8%. Public-to-private transfers are generally less common at preprimary level and represent 0.6% of total expenditure on average across the OECD. However in New Zealand, they represent 0.1% of total expenditure on pre-primary institutions.
- Across most OECD countries, socio-economic status influences learning outcomes more than gender and immigrant status. In New Zealand, the proportion of children from the bottom quartile of the PISA index of economic, social and cultural status (ESCS) achieving at least PISA level 2 in reading in 2018 was 25% lower than that of children from the top ESCS quartile, a smaller share than the OECD average of 29%.
- International student mobility at the tertiary level has risen steadily reaching about 53 000 students in New Zealand and representing 21% of tertiary students in 2019. The largest share of international tertiary students studying in New Zealand comes from China. Students from low and lower-middle income countries are generally less likely to study abroad. In 2019, they represented 29% of international students in OECD countries, compared to 35% in New Zealand.
- Large differences in educational attainment may lead to starker earnings inequality in many countries. In New Zealand, 21% of 25-64 year-old adults with below upper secondary attainment earned at or below half the median earnings in 2019, below the OECD average of 27%.

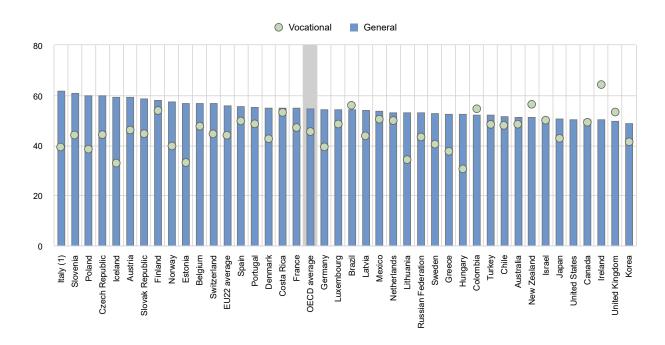
### Gender inequalities in education and outcomes

 Men are more likely than women to pursue a vocational track at upper secondary level in most OECD countries. This is not the case in New Zealand, where 44% of upper secondary vocational graduates in 2019 were men (compared to the OECD average of 55%). Women are generally more likely to graduate from upper secondary general programmes. This is also the case in

New Zealand, where women represent 51% of graduates from upper secondary general programmes, compared to 55% on average across OECD countries (Figure 1).

- Tertiary education has been expanding in the last decades, and, in 2020, 25-34 year-old women were more likely than men to achieve tertiary education in all OECD countries. In New Zealand, 49% of 25-34 year-old women had a tertiary qualification in 2020 compared to 39% of their male peers, while on average across OECD countries the shares were 52% among young women and 39% among young men.
- Gender differences in the distribution of tertiary entrants across fields of study are significant. Women tend to be under-represented in certain fields of science, technology, engineering and mathematics (STEM) across most OECD countries. On average, 26% of new entrants in engineering, manufacturing and construction and 20% in information and communication technologies were women in 2019. In New Zealand, women represented 30% of new entrants in engineering, manufacturing and construction programmes and 28% in information and communication technologies. In contrast, they represented 82% of new entrants to the field of education, a sector traditionally dominated by women. In New Zealand, men represent 27% of teachers across all levels of education, compared to 30% on average across OECD countries.
- Young women are less likely to be employed than young men, particularly those with lower levels
  of education. Only 56% of 25-34 year-old women with below upper secondary attainment were
  employed in 2020 compared to 73% of men in New Zealand. This gender difference is smaller than
  the average across OECD countries, where 43% of women and 69% of men with below upper
  secondary attainment are employed.
- In nearly all OECD countries and at all levels of educational attainment, 25-64 year-old women earn less than their male peers: their earnings correspond to 76%-78% of men's earnings on average across OECD countries. This proportion varies more across educational attainment levels within countries than on average across OECD countries. Compared to other education levels, women with tertiary education in New Zealand have the lowest earnings relative to men with a similar education level, earning 79% as much, while those with below upper secondary education earn 83% as much.
- On average across OECD countries with available data, 25-64 year-old women tend to participate slightly more in adult learning than men of the same age. In New Zealand, 67% of women participated in formal and/or non-formal education and training in 2016, compared to 68% of men. Family reasons were reported as barriers to participation in formal and/or non-formal education and training by 25% of women compared to 10% of men.

# Figure 1. Share of women among upper secondary graduates, by programme orientation (2019)



In per cent

1. Includes post-secondary non-tertiary level.

Countries are ranked in descending order of the share of women in general programmes.

**Source**: OECD (2021). Table B3.1. See *Source* section for more information and Annex 3 for notes (<u>https://www.oecd.org/education/education-at-a-glance/EAG2021\_Annex3\_ChapterB.pdf</u>).

# Education and migration background

- On average across the OECD, foreign-born adults (25-64 year-olds) account for 22% of all adults with below upper secondary attainment, 14% of those attaining upper secondary or post-secondary non-tertiary attainment, and 18% of tertiary-educated adults. But in New Zealand, the share of foreign-born adults among all adults with a given level of educational attainment is the highest among tertiary-educated adults (47% in 2020).
- Foreign-born adults have more difficulty finding a job than their native-born peers as they face various challenges, such as discrepancies in credential recognition, skills, and language. Thus, foreign-born workers are likely to have a lower reservation wage (the lowest wage rate at which a worker would be willing to accept a particular type of job). As a result, the employment rate for foreign-born adults with low educational attainment is higher than the rate for their native-born peers in many countries. On average across OECD countries, among adults without upper secondary attainment, 57% of native-born adults are employed compared to 61% of foreign-born adults. In New Zealand, however, the employment rate of foreign-born adults without upper secondary attainment was 66% in 2020, lower than that of their native-born peers (72%).
- The likelihood of being employed increases with the level of educational attainment, but foreign-born adults with tertiary attainment generally have lower employment prospects than their native-born peers. On average across OECD countries, 86% of native-born tertiary-educated adults are employed compared to 79% for foreign-born tertiary-educated adults. In New Zealand, among tertiary-educated adults, 89% of native-born adults and 86% of foreign-born adults are

employed. Foreign-born adults who arrived in the country at an early age have spent some years in their host country's education system and gained nationally recognised credentials. As a result, their labour-market outcomes are generally better than that of those who arrived at a later age with a foreign qualification. In New Zealand, among foreign-born adults with tertiary attainment, 88% of those who arrived by the age of 15 are employed, compared to 86% of those who arrived in the country at age 16 or later.

- Foreign-born young adults (15-29 year-olds) are also more likely to be neither employed nor in education or training (NEET) than native-born young adults. On average across OECD countries, 18.8% of foreign-born and 13.7% of native-born adults are NEET. However, in New Zealand, there is no significant difference in the share of NEETs between native- and foreign-born young adults
- In many OECD countries, foreign-born adults earn less than native-born adults. This pay gap may
  narrow with higher levels of educational attainment. On average across OECD countries,
  foreign-born adults with below secondary attainment working full-time earn 89% as much as their
  native-born peers, while this gap disappears among tertiary-educated adults. In New Zealand, in
  2019, among adults with below upper secondary attainment, the earnings of foreign-born full-time
  workers represented 88% that of their native-born peers, 90% among adults with upper secondary
  or post-secondary non-tertiary attainment, and 85% among those with a tertiary-education.

### **Cross-regional disparities in education**

- Tertiary attainment may vary significantly within a country. In New Zealand, the share of 25-64 year-old adults with tertiary education varies from 20% in the region of Southland Region to 48% in the region of Wellington Region, one of the highest regional variations across OECD countries with available data.
- On average across OECD and partner countries with subnational data on labour-force status, there
  is more regional variation in employment rates among those with below upper secondary education
  (17 percentage points) than for those with tertiary education (8 percentage points). In
  New Zealand, there is a difference of 15 percentage points in the employment rate of adults with
  below upper secondary education between different regions of the country compared to
  4 percentage points for tertiary-educated adults.
- The proportion of young people who are NEET shows significant subnational as well as national variation across OECD and partner countries. In New Zealand, the difference in the share of 18-24 year-old NEETs between regions with the highest and lowest value is 10 percentage points, compared to 11 percentage points on average across OECD countries.

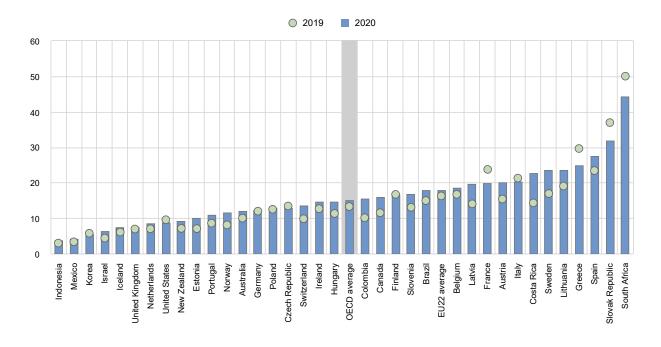
# **COVID-19: 18 months into the pandemic**

- The spread of COVID-19 has continued to impede access to in-person education in many countries around the world in 2021. By mid-May 2021, 37 OECD and partner countries had experienced periods of full school closure since the start of 2020.
- The number of instructional days when schools were fully closed since the start of 2020 due to the
  pandemic (excluding school holidays, public holidays and weekends) varies significantly between
  countries and increases with the level of education. New Zealand is an exception. In New Zealand,
  pre-primary schools were fully closed for an average of 24 days between 1 January 2020 and
  20 May 2021. Meanwhile primary schools closed for 24 days, lower secondary for 24 days and
  upper secondary general schools for 24 days. In comparison, respective closures were 55, 78, 92
  and 101 days on average across the OECD.

- During periods of full school closure in 2020, 21 OECD and partner countries have opted to keep upper secondary general schools virtually open as a national level strategy, including New Zealand. However, in 4 countries, excluding New Zealand, each day of remote learning was not considered equivalent to a full day of in-person instruction. The way that online platforms have operated during school closures has varied between countries. In New Zealand, decisions on how online platforms should operate were made at the local level from pre-primary to tertiary education.
- 20 OECD and partner countries, including New Zealand, stated that the allocation of additional public funds to support the educational response to the pandemic in primary and secondary schools was based on the number of students or classes. At the same time, 16 countries targeted additional funds at socio-economically disadvantaged students as a way to ensure that resources targeted those that needed them the most, including in New Zealand.
- Countries' approach to prioritise teachers in vaccination campaigns against COVID-19 has varied. In total, 19 OECD and partner countries, excluding New Zealand, have prioritised at least some teachers as part of the government's plans to vaccinate the population on a national level (as of 20 May 2021).
- The impact of the pandemic on the economy has raised concerns about the prospects of young adults, especially those leaving education earlier than others. In New Zealand, the unemployment rate among 25-34 year-olds with below upper secondary attainment was 9.3% in 2020, an increase of 2 percentage points from the previous year. In comparison, the average youth unemployment rate of 15.1% in 2020 across OECD countries represented an increase of 2 percentage points from 2019 (Figure 2).
- Despite the impact of the crisis on employment, the share of NEETs among 18-24 year-olds did not greatly increase in most OECD and partner countries during the first year of the COVID-19 pandemic. On average, the share of 18-24 year-old NEETs in OECD countries rose from 14.4% in 2019 to 16.1% in 2020. In New Zealand, the share of 18-24 year-old NEETs was 13% in 2019, which increased to 14.2% in 2020.

# Figure 2. Trends in unemployment rates of 25-34 year-olds with below upper secondary attainment (2019 and 2020)

### In per cent



Compare your country: <u>https://www.compareyourcountry.org/education-at-a-glance-2021/en/2/3044+3045+3046/trend//OAVG</u> Countries are ranked in ascending order of the unemployment rate of 25-34 year-olds with below upper secondary attainment in 2020. Source: OECD (2021), Table A3.3. See Source section for more information and Annex 3 for notes (<u>https://www.oecd.org/education/education-at-a-glance/EAG2021\_Annex3\_ChapterA.pdf</u>).

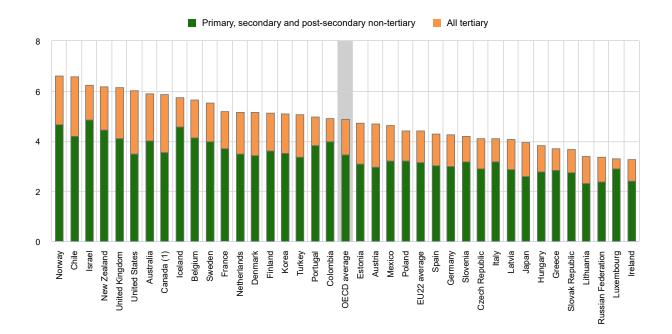
# Investing in education

- Annual expenditure per student on educational institutions provides an indication of the investment countries make on each student. After accounting for public-to-private transfers, public expenditure on primary to tertiary educational institutions per full-time student in New Zealand was USD 8 539 in 2018 (in equivalent USD converted using PPPs for GDP) compared to USD 10 000 on average across OECD countries.
- The provision of education across public and private institutions influences the allocation of resources between levels of education and types of institution. In 2018, New Zealand spent USD 9 934 per student at primary, secondary and post-secondary non-tertiary education, USD 520 lower than the OECD average of USD 10 454. At tertiary level, New Zealand invested USD 17 923 per student, USD 858 more than the OECD average. Expenditure per student on public educational institutions is higher than on private institutions on average across OECD countries. This is also the case in New Zealand, where total expenditure on primary to tertiary public institutions amounts to USD 11 559 per student, compared to USD 9 417 on private institutions.
- Among OECD countries, New Zealand spent the fourth highest proportion of its GDP on primary to tertiary educational institutions. In 2018, New Zealand spent on average 6.2% of GDP on primary to tertiary educational institutions, which is 1.3 percentage points higher than the OECD average. Across levels of education, New Zealand devoted a higher share of GDP than the OECD average at both non-tertiary and tertiary levels (Figure 3).

• The share of capital costs on total expenditure on educational institutions is lower than the OECD average at primary to tertiary level in New Zealand. At primary, secondary and post-secondary non-tertiary level, capital costs account for 8% of total spending on educational institutions, similar to the OECD average (8%). At the tertiary level, capital costs represent 2%, lower than the average across OECD countries of 11%.

### Figure 3. Total expenditure on educational institutions as a percentage of GDP (2018)

In per cent



**Compare your country:** <u>https://www.compareyourcountry.org/education-at-a-glance-2021/en/5/3059+3060+3061+3062+3063+3064/default</u> 1. Primary, secondary and post-secondary non-tertiary education includes pre-primary programmes.

Countries are ranked in descending order of total expenditure on educational institutions as a percentage of GDP.

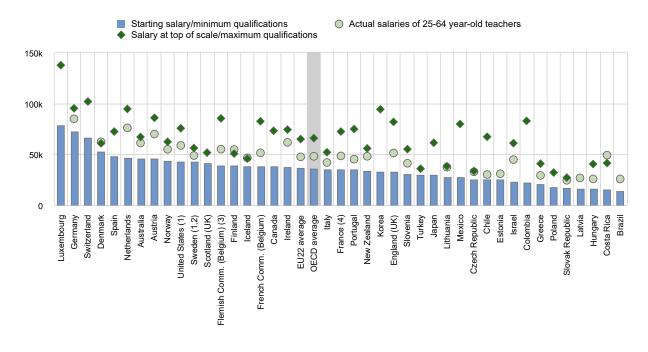
Source: OECD (2021), Table C2.1. See Source section for more information and Annex 3 for notes (<u>https://www.oecd.org/education/education-at-a-glance/EAG2021\_Annex3\_ChapterC.pdf</u>).

# Working conditions of school teachers

The salaries of school staff, and in particular teachers and school heads, represent the largest single expenditure in formal education. Their salary levels also have an impact on the attractiveness of the teaching profession. In most OECD countries and economies, statutory salaries of teachers (and school heads) in public educational institutions increase with the level of education they teach, and also with experience. On average, statutory salaries of teachers with maximum qualifications at the top of their salary scales (maximum salaries) were between 86% and 91% higher than those of teachers with the minimum qualifications at the start of their career (minimum salaries) at primary and general lower and upper secondary levels in 2020. In New Zealand, maximum salaries were 60% to 74% higher than minimum salaries at each level of education (Figure 4). However, most teachers were paid between these minimum and maximum salaries.

- Teachers' actual salaries reflect their statutory salaries and additional work-related payments. Average actual salaries also depend on the characteristics of the teaching population such as their age, level of experience and qualification level. In New Zealand, teachers' average actual salaries (after conversion to USD using PPPs for private consumption) amount to USD 47 560 at the primary level, USD 48 055 at the general lower secondary level and USD 51 644 at the general upper secondary level. On average across OECD countries, teachers' average actual salaries were USD 45 687, USD 47 988 and USD 51 749 at the primary, lower secondary and upper secondary level respectively (Figure 4).
- Teachers' average actual salaries remained lower than those of tertiary-educated workers in almost all countries, and at almost all levels of education. Teachers' average actual salaries at primary and general secondary levels of education are between 86% and 96% of the earnings of tertiary-educated workers on average across OECD countries and economies. In New Zealand, the proportion ranged from 85% to 92% at primary and general secondary levels of education.
- However, there are significant differences between men and women in relative salaries of teachers due to the gender gap in earnings across the labour market (statutory salaries are equal for male and female teachers in public educational institutions). When average actual salaries of teachers are compared to salaries of tertiary educated workers, these relative salaries are usually higher for women, and lower for men. In New Zealand, the proportion ranges from 96% to 104% for women (98% to 110% on average across OECD countries and economies), and from 77% to 84% for men (76% to 85% on average across OECD countries and economies) in primary and general secondary education.
- The average number of teaching hours per year required of a typical teacher in public educational institutions in OECD countries tends to decrease as the level of education increases: it ranged from 989 hours at pre-primary level (ISCED 02), to 791 hours at primary level, 723 hours at lower secondary level (general programmes) and 685 hours at upper secondary level (general programmes) in 2020. In New Zealand, teachers teach 1 230 hours per year at pre-primary level, 922 hours per year at primary level, 840 hours at lower secondary level (general programmes) and 760 hours at upper secondary level (general programmes).
- In primary and secondary education, about 35% of teachers are at least 50 years old on average across OECD countries and may reach retirement age in the next decade, while the size of the school-age population is projected to increase in some countries, putting many governments under pressure to recruit and train new teachers. In 2019, 37% of primary teachers in New Zealand were at least 50 years old, which was higher than the OECD average of 33%. On average across OECD countries, the proportion of teachers aged at least 50 years old increases with higher levels of education taught, to 36% in lower secondary education and 40% in upper secondary education. In New Zealand, this proportion varies from 39% at lower secondary level to 43% at upper secondary level.

# Figure 4. Lower secondary teachers' average actual salaries compared to the statutory starting and top of the scale salaries (2020)



Annual statutory salaries of teachers in public institutions, in equivalent USD converted using PPPs

Compare your country: https://www.compareyourcountry.org/education-at-a-glance-2021/en/7/all/default

Note: Actual salaries include bonuses and allowances.

1. Actual base salaries.

2. Salaries at the top of the scale and the minimum qualifications, instead of the maximum qualifications.

3. Salaries at the top of the scale and the most prevalent qualifications, instead of the maximum qualifications.

4. Includes the average of fixed bonuses for overtime hours.

Countries and economies are ranked in descending order of starting salaries for lower secondary teachers with the minimum qualifications. **Source**: OECD (2021), Table D3.3 and Education at a Glance Database, <u>http://stats.oecd.org</u>. See Source section for more information and Annex 3 for notes (<u>https://www.oecd.org/education/education-at-a-glance/EAG2021\_Annex3\_ChapterD.pdf</u>).

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### More information

For more information on Education at a Glance 2021 and to access the full set of Indicators, see: <a href="https://doi.org/10.1787/b35a14e5-en">https://doi.org/10.1787/b35a14e5-en</a>

For more information on the methodology used during the data collection for each indicator, the references to the sources and the specific notes for each country, see Annex 3 (https://www.oecd.org/education/education-at-a-glance/EAG2021 Annex3.pdf).

For general information on the methodology, please refer to the OECD Handbook for Internationally Comparative Education Statistics: Concepts, Standards, Definitions and Classifications (<u>https://doi.org/10.1787/9789264304444-en</u>).

Updated data can be found on line at <u>http://dx.doi.org/10.1787/eag-data-en</u> and by following the *StatLinks*  $\frac{1}{2}$  under the tables and charts in the publication.

Data on subnational regions for selected indicators are available in the OECD Regional Statistics (database) (OECD, 2021). When interpreting the results on subnational entities, readers should take into account that the population size of subnational entities can vary widely within countries. For example, regional variation in enrolment may be influenced by students attending school in a different region from their area of residence, particularly at higher levels of education. Also, regional disparities tend to be higher when more subnational entities are used in the analysis.

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https://gpseducation.oecd.org/

The data on educational responses during COVID-19 were collected and processed by the OECD based on the Survey on Joint National Responses to COVID-19 School Closures, a collaborative effort conducted by the United Nations Educational, Scientific and Cultural Organization (UNESCO); the UNESCO Institute for Statistics (UIS); the United Nations Children's Fund (UNICEF); the World Bank; and the OECD.

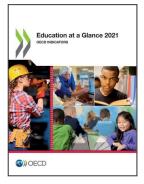
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