Ministerial Advisory Group
Ministry of Education
Mātauranga House
33 Bowen Street
Wellington 6011
New Zealand

August 22, 2018

Re: Submission on Dismantling barriers to NCEA

Dear Ministerial Advisory Group members,

We welcome this opportunity to contribute to your review of the National Certificate of Educational Achievement (NCEA) so that it can benefit all learners in New Zealand.

Human Rights Watch is an independent, non-governmental human rights organisation that monitors and reports on human rights in more than 90 countries globally. One of our focus areas is the right to education.

Human Rights Watch researched students’ access to quality, inclusive, free education in New Zealand in 33 secondary schools ranging from decile 1 to decile 8 from August - November 2017. We particularly focused on the impact of NCEA fees and other school-related costs on secondary students’ equal access to education. We hope that our findings can inform your review of “Big Opportunity 6: Dismantling barriers to NCEA.”

Human Rights Watch found that students whose parents or caregivers have not paid their NCEA fees—13,867 students in 2016—have their qualification withheld, affecting their future access to employment, and causing added stress. (For more, see sections 1(a) and 1(b) of the attachment.)

As a deputy principal from a decile 1 school stated, “What whanau or family are prepared to do with their money is affecting kids. It’s
almost like we’re penalising kids for what families are choosing to do.”

We welcome your decision to look into this issue and to include it as one of the six big opportunities as a part of the NCEA review, and support the proposal to remove the requirement for learners and their families to pay NCEA fees. Our research suggests that the identified “supplementary option” of merely lowering NCEA fees for those who apply for financial assistance to $0 may be insufficient to remove this barrier to NCEA. As outlined in section 1(c) below, some families who are already struggling financially and socially are not always able to complete the financial assistance process. The lowering of the fee would also unlikely ease the current burden on schools for collecting and processing NCEA fees and applications for financial assistance, as described in section 1(d) below.

In addition, our research found that students’ equal access to education is affected by their parents’ or caregivers’ ability to pay additional school-related costs, such as costs for certain course materials. (For more, see section 2 below.) We therefore also urge you to recommend that the government ensure that all schools have sufficient funding to cover course-related materials. This would also be in line with the recommendation recently made by the United Nations Committee on Economic, Social and Cultural Rights following its review of New Zealand’s human rights record in this regard.

This review represents a significant opportunity to make a difference in the lives of young learners in New Zealand by improving access to quality free secondary education for all students, and in all academic pathways. We look forward to seeing the results of your consultation.

Sincerely,

Bede Sheppard
Deputy Director, Children’s Rights Division
Financial Barriers to Secondary Education in New Zealand

Human Rights Watch research found that non-payment of fees for the National Certificate of Educational Achievement (NCEA) qualification as well as other school-related costs by parents or caregivers are adversely affecting students’ ability to access a free education on the basis of equal opportunity.

All children have the right to access a quality education on the basis of equal opportunity under international human rights law to which New Zealand is bound.¹ Under New Zealand legislation, all domestic students ages 5 to 19 have the right to a free education, except for the charging of fees related to the sitting of an examination, the making of an assessment by the regulating authority, or the granting of an award certifying passing the examination.² The first exception—charging an exam fee—directly affects students’ ability to obtain the certificate that is required for access to further studies and to employment. This places those students who are unable to obtain the certificate, despite having successfully completed their studies and the qualification, at a disadvantage with respect to other students. Where other school-related costs affect students’ access to subjects or to the curriculum, there is also a lack of equitable access. International human rights law also sets an obligation on governments to use “every appropriate means” to ensure that secondary education is available and accessible to all students.³ Human Rights Watch is concerned that non-payment of NCEA fees and some school-related costs is contributing to some students being denied an education.

Human Rights Watch notes that students on vocational pathways have access to some financial support, particularly through the Youth Guarantee initiatives, which offer 16- to 19-year-olds vocationally focused courses that provide credits towards NCEA Level 2 at tertiary providers free-of-charge, and the Secondary-Tertiary Programmes, which allow students to study more vocational subjects at a secondary

² Education Act, No. 80 of 1989, arts. 3, 254(2) (b) and (3).
³ ICESCR, art. 13 (b).
school and gain credits toward their NCEA certificate. However, we are concerned that this creates inequity between students at secondary schools, whose families are required to pay their qualification fees, and those on vocational pathways, whose qualification is received free-of-charge.

Methodology
From August – November 2017, Human Rights Watch has conducted research with officials from 33 secondary schools in rural and urban areas in the Auckland, Bay of Plenty, Canterbury, Hawke’s Bay, Northland, Otago, Southland, Taranaki, Tasman, Wellington, and West Coast regions. All schools except one were state schools; the other was state-integrated. Schools were primarily selected on the basis of their decile ranking and their status as state schools. In some cases, schools were referred to us by other schools, educational officials, or civil society organisations. We interviewed officials from 19 schools by phone, skype, or video conference, and officials from 14 schools sent written replies to a questionnaire sent via e-mail, some of whom replied to further questions in writing. Many schools requested anonymity when mentioned in our research. The schools interviewed range from deciles 1 to 8.

1. Impact of Unpaid NCEA Fees on Students’ Education, and Future Educational and Work Opportunities
Human Rights Watch found that the fee charged to students for the NCEA is affecting some students’ ability to obtain their NCEA qualification. This is preventing those students whose parents or caregivers cannot pay from completing their education. We have also found that the non-payment of fees causes students stress, that the financial assistance process is a barrier to payment of fees for some parents and caregivers, and that processing of fees and financial assistance is a significant additional workload for school staff on top of their teaching responsibilities.

The 1989 Education Act guarantees “free education at any State school or partnership school kura hourua” between the ages of 5 and 19 for all domestic students. However, the act also allows the New Zealand Qualifications Authority (NZQA) to charge fees “in relation to sitting for an examination conducted by the Authority, in relation to the making of any assessment by the Authority, or in relation to the making of any assessment by the Authority, or in relation

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5 Schools currently receive funding based on a decile ranking system. School deciles are calculated on the basis of a number of factors and are used to identify schools with children from the lowest socio-economic background. A decile indicates a school’s ranking with regards to the concentration of students from low socio-economic backgrounds. It does not reflect the overall socio-economic mix of the school or the quality of education. For example, a decile 1 school would represent a school with children from low socio-economic backgrounds, and a decile 8 school would represent a school with children from higher socio-economic backgrounds.
to the granting of any person of an award certificating that the person had passed such an examination or been so assessed.” This provision also notes that “A fee may not be charged […] to a person who is a student at a relevant school unless the Minister has consented to the charging of the fee.”

The NZQA charges domestic students a fee of NZ$76.70 per year for all NCEA standards, with a maximum of NZ$200 per family where two or more children are candidates. For those entitled to financial assistance on the grounds of beneficiary or income-based assistance, the cost for one child is reduced to NZ$20 per child, and where there are two or more children who are candidates, a maximum of NZ$30 can be charged per family. In a letter to Human Rights Watch dated 17 August 2017, NZQA chief executive, Dr. Karen Poutasi, stated that this fee contributes towards the cost of delivering NCEA each year, including moderation of internally assessed results, examination costs such as setting and holding examinations and documents, and marking. She also stated that the government covers most of the cost of administering the qualification, which she said was approximately NZ$40 million annually. In 2016, parents and caregivers paid fees for 140,517 domestic students across NCEA Levels 1, 2, and 3, which totalled NZ$9.8 million, equalling 12 percent of the agency’s overall budget.

a. Negative Consequences of Non-Payment of Fees Disproportionally Affect Lower Socio-Economic, Maori, and Pasifika Children

Students do not obtain their NCEA qualification when their parents or caregivers do not pay their fees. According to the NZQA website, NCEA candidates whose fees are not paid are ineligible to have their results transferred to the New Zealand Record of Achievement. This renders them ineligible to have their NCEA certificates or other National Certificates or University Entrance awarded because unpaid results are not on the Record of Achievement.

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6 Education Act, No. 80 of 1989, arts. 3, 254(2) (b) and (3).
9 Letter from Dr Karen Poutasi, chief executive officer, New Zealand Qualifications Authority, August 17, 2017.
The NZQA website states that students must pay this fee. However, the information on financial assistance criteria identify the “fee-payer” as “normally the parent or guardian of the candidate, and must be the person paying the NZQA fees.” This means students sitting NCEA are largely dependent on their parents or caregivers to pay for the fee. Yet, it is the students who suffer when their parents or caregivers have not paid the fee.

According to the NZQA, 13,867 students did not have their results formally recorded on their Record of Achievement due to unpaid fees in 2016. Similarly, from 2007-2016 3 percent of domestic secondary students who had at least one secondary enrolment had one or more NCEA qualifications that were not formally awarded because of unpaid fees.

Based on interviews with or written surveys from officials at 33 secondary schools, Human Rights Watch found that students and schools are affected in different ways by the fees charged for the NCEA. Unsurprisingly, those most affected were students from lower socio-economic backgrounds. Officials at fifteen schools specifically mentioned those from lower socio-economic backgrounds as being most affected, including single-parent families and families experiencing inter-generational poverty.

According to officials at 13 schools across all decile rankings from 1 to 8, Maori and Pasifika students were disproportionately represented among those affected by the NCEA exam fee. A school principal in an urban area of the South Island reported that of 49 students who had not paid their fees by September 2017, 17 (35 percent) were Maori, yet Maori make up only 9 to 10 percent of the school population.

Human Rights Watch documented various reasons for non-payment of fees, including parents’ and caregivers’ lack of awareness that non-payment would bar students from receiving their qualification. Officials in six schools told Human Rights Watch that parents and caregivers faced challenges with timing of payments, and managing all of the school costs required. These officials cited competing financial

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13 Letter from Dr Karen Poutasi, chief executive officer, New Zealand Qualifications Authority, August 17, 2017.

and social priorities and struggles for parents and caregivers as being factors in non-payment. Officials from four schools highlighted that some parents and caregivers who had not completed secondary education may not understand the importance or value of attaining the qualification; officials from three other schools cited lack of interest or valuing of education more generally as a factor.

Officials at seven schools ranging from deciles 1 to 8 reported that some families felt ashamed to request assistance or discuss their inability to pay secondary exam fees. Officials at two schools, a decile 3 urban school and a decile 5 rural school, reported that some students did not pay because they went into apprenticeships or to work in the farming community. This means they did not complete the qualification, so did not need to pay for it or did not want it.

Officials at three schools said that the early payment deadline was problematic, both for financial assistance and for the payment of full fees, because parents and caregivers were not thinking about exams at that time.

Parents or caregivers who miss the payment deadline must pay an additional administration fee of NZ$50, a penalty representing 65 percent of the original fee. Students are also no longer entitled to financial assistance at that point and are required to pay the full fee plus the late fee, a total of NZ$126.70.15 One deputy principal from an urban decile 1 school stated that the administration fee was a significant amount for those in the school’s community: “if you’re missing all these cut-offs [for the financial assistance and then for the fees deadline], it’s the late fee that cuts in.” Another deputy principal from a decile 1 school in the North Island reported that the late fee penalty compounded the issue for students: “If every time you miss that, it’s $76.70 plus $50 and if you do that at each level... it’s a huge amount of money to pay.”

Many schools—although not all—reported that they are proactive in raising awareness about the impending deadlines for fees and in contacting and following up with students and parents and caregivers when fees have not been paid (see “Additional Workload for Schools”). Officials from five schools stated that they had a system for parents and caregivers to make small payments on a weekly or regular basis.

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Officials from fifteen schools ranging from deciles 1 to 7 reported that the school covered the costs of NCEA fees for students unable to do so. However, many other schools do not. In four cases, school officials said the school covers NCEA Scholarship exam fees where students did not qualify for the exemption. In total, officials in seven schools said that the introduction of fees for NCEA Scholarship exams in 2015 represented an additional barrier for students who are struggling financially.

b. Negative Consequences for Children

As noted above, students whose fees are not paid do not have their results recorded on their New Zealand Record of Achievement and are not formally awarded their NCEA qualification. This means that they do not receive their official certificate and have no proof from NZQA of having achieved NCEA. A deputy principal from a decile 1 school in an urban area described how this can affect a young person's life: “You do have to have the certificate at some point. ... It’s not often until the last minute, until you’re working through the list of a check list for job application or scholarship application, and you need a certified copy of results ... a certificate.” A principal from a rural decile 5 school stated that they would pay the fees if the students could not because: "We want people to get the qualification. It's the ticket to ride."

Tertiary education providers can access students’ results so this does not bar students who have not paid the fees or been awarded their qualification from attending university. However, Human Rights Watch found that some school officials were occasionally asked to verify results for students for applications for scholarships from non-university sources. According to an official at one private education institution that provides vocational training that counts towards NCEA Level 2, when students begin a course, it can be unclear which standards students have achieved in secondary school without a NCEA certificate. This can be difficult for the students concerned as they do not know what they have, and this uncertainty is not always resolved quickly. The official also stated that resolving this problem can take a significant amount of time. In some cases, the students’ status and enrolment in the course had to be changed to another subject or standard, sometimes because they had already received that standard but it had not been recorded due to non-payment of fees. The official stated that sometimes students have left or dropped out before this is resolved because of the time delay.

Officials from nine schools stated that students without certificates may be denied employment if asked to provide proof of the NCEA qualification for a job. One of those schools reported that several of their students were denied entry into the
armed forces for this reason. In three of the nine schools, officials reported that they provided certified school results even to students who had not paid in order to help them access employment.

A 16-year-old student in Year 12 in 2017 at a secondary school in the North Island described the added stress that non-payment of fees caused, especially when friends had already received their credits. “It really does affect the student’s mindset,” he told us, “especially if you are already being affected by the system already. Like when your friends ask about your number of credits and you only have 30 or 40 but less [are] showing up.”

In this case, the student required his NCEA Level 1 certificate for a Level 2 Careers class. His parents had not paid his fees by the deadline and, when they did pay them along with the NZ$50 administration fee, it took 15 working days for the website to reflect it. As a result, he therefore missed the deadline for his assignment. “People say ‘education is free’ in New Zealand,” he said, “but it’s not really free if you’ve got fees.”

An official at a private tertiary provider for vocational training that often enrolled students with unpaid credits said, “The implications for students are tough, too – they don’t know what they have or haven’t got.” One decile 6 school official that covered the NCEA fees for its students when parents did not pay stated that they did not tell the students they had paid for them to save their pride. The principal of a decile 7 school stated, “My personal view is [that the exam fee is] an unnecessary barrier. What civilized country charges teenagers to get a qualification? ... I don’t think it’s ethical to be charging secondary students fees for education.” One deputy principal from a decile 1 school stated, “The other line is what whanau or family are prepared to do with their money is affecting kids. It’s almost like we’re penalizing kids for what families are choosing to do.”

c. Problems Accessing the Financial Assistance System

Human Rights Watch found that some students do not benefit from the financial assistance available for parents and caregivers who cannot afford the full cost of NCEA. In addition, even with financial assistance, some families are unable to pay. A deputy principal of a decile 1 school said that despite financial assistance, not all the students in his school were able to pay even the reduced fees.

Teachers and principals from 12 schools expressed concern that the financial assistance process constitutes another hurdle for parents and caregivers who are
already struggling financially and socially. Furthermore, some families do not have
the wherewithal to complete the process, particularly when they miss the deadline
and must contact NZQA directly. The process requires parents and caregivers to fill
out additional paperwork, such as a personalized form, and assess their entitlement
to financial assistance based on benefits or income.

Officials from six schools reported that some parents experience language barriers
when filling in the financial assistance form. This includes parents or caregivers for
whom English is a second language as well as those with low literacy who may
struggle with the complex terminology as well as the process. One principal’s
nominee in a North Island school highlighted that language such as “Community
Service card entitlements and income thresholds” could simply read: “To see if you
are allowed this, go to: [weblink].” Another principal described the form as “wordy”
and difficult for non-native English speakers.

If parents and caregivers miss the deadline for fees or financial assistance, they have
to pay NZQA directly by cheque, direct debit, or credit card payment either online or
by filling out the form and posting it or emailing it to NZQA. According to officials in
four schools—two decile 6, one decile 4, and one decile 1 school—some families do
do not have access to the internet and cannot get the form or pay online.

Officials at eight schools stated that some students do not qualify for financial
assistance but still struggle to pay their NCEA fees and other costs. They described
retired grandparents raising their grandchildren, single-parent families, or those
generally struggling financially.

Families can apply for an interest-free NZ$200 loan from Work and Income for
administration fees for examinations for a dependent child who is attending school,
repayable within 52 weeks, but the additional paperwork, complex processes, and
stigma associated with claiming those benefits can prevent parents and caregivers
from applying, according to a deputy principal at a decile 3 rural school.16 A deputy
principal at a decile 3 rural school stated that there is a stigma associated with
claiming benefits and a sense of being made to feel ashamed.

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16 Ministry of Social Development, Work and Income, “Legislation, Welfare programmes, Recoverable Assistance Programme,
Part 3 - Essential Needs, Clause 11. Payments for Essential Needs, Clause 11.4. School and Education,” April 1, 2015,
https://www.workandincome.govt.nz/map/legislation/welfare-programmes/recoverable-assistance-programme/clause-11-4-


d. Additional Workload for Schools

Schools are responsible for collecting and processing NCEA fees and applications for financial assistance. Somewhat circularly, NZQA provides some funding to all schools for this purpose. However, Human Rights Watch found that the administering and processing of NCEA fees represents a significant amount of work for schools to ensure students pay their fees and that those eligible apply for financial assistance on time. This responsibility lies not only with administrative staff, but also teaching staff and principals. This affects the time staff allocate to teaching and the curriculum, and thus affects students’ education. One principal of a decile 7 school said, “It preoccupies people like a principal who should be focusing on teaching and learning.”

Human Rights Watch found that many schools spend a significant amount of time contacting parents and caregivers in writing, by phone, and via text message to ensure that fees are paid. Many school staff mentioned the significant workload in being proactive in informing students and following up in cases of non-payment. One assistant principal in a decile 6 school said: “I normally start with a list of about 30. The process is that the office ladies email out with the three-month countdown and bills. Then there are general emails. Then, more specific emails. Then I go through texting. Then I go through phoning. [NZQA is] collecting in thousands and thousands. And we're doing the work.” Another principal explained it was a significant amount of work for office staff, that there was a lot of follow-up, and that they were constantly reminding parents of the need to pay fees up to the payment deadline. He personally wrote weekly letters to some parents and caregivers, he told us. An official from a decile 1 school confirmed that collecting and processing these fees was one of the school cashier’s main responsibilities.

In one school, a teacher said staff sometimes discussed the NCEA process and fees payment during parent-teacher interviews, limiting the time available to discuss the students’ development. The teacher concerned noted, “We just had parent-teacher interviews. We were spending a lot of time in meetings talking about the financial assistance form. We should be talking about how to improve students' learning, not how to get parents to pay.” Three schools contended that it would be cheaper for the school to pay the fees than to pay for the staff time and money spent on following up with parents and caregivers. A deputy principal from an urban decile 1 school wrote, “I would argue it would be cheaper in this school to pay the fee for the kids rather than chase it and financial assistance. Given the admin hours, phone calls, photocopying, postage, text costs. In light of the new government's Tertiary free fees it seems even more absurd to charge for NCEA!”
2. **Impact of Indirect School Costs on Students’ Equal Access to Quality Education**

Human Rights Watch also found that some students, particularly those from lower socio-economic families, are unable to access a quality education on an equal basis with other students because their subject choice is affected by other costs. This creates inequity between students whose parents or caregivers can afford those costs and those who cannot. It also affects schools’ ability to offer a quality curriculum for all students as schools sometimes cover costs that some parents or caregivers cannot, thus limiting the funding it can allocate to other parts of the curriculum.

As set out in Circular 2013/06, there are guidelines regulating what schools can ask parents and caregivers of students in state and state-integrated schools to pay.¹⁷ These fall into three broad categories: attendance dues for students in state-integrated schools; charges for goods or services once a parent has chosen to purchase the item concerned, for example, canteen food or stationery; and “voluntary donations” for general or specific purposes, e.g. sports equipment or library books.

According to the guidelines, schools cannot charge for the cost of tuition and materials related to the curriculum, operational costs, and the enrolment process and costs related to information on this process, and costs related to trips for educational purposes, such as for geography and outdoor education courses, that form part of the compulsory curriculum.

Schools can charge for materials for courses such as woodwork, metalwork, and home economics. These additional expenses can be a barrier for students whose families cannot afford them. It means students cannot choose the subjects they want to do if they cannot afford the materials required for that course. Where schools are not covering these costs, students are sometimes unable to study the classes they want and cannot pursue the education they would like and that is necessary for their future development. This creates a gap between those students whose families can afford these costs and those who cannot. One deputy principal stated, “For metalwork, you have to have metal. It has to be paid from somewhere. … If we don’t get the money, then we don’t have the money. The same goes for all those other subjects. Woodwork, wood’s expensive, but the government doesn’t pay for the...

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“Wood.” This school was among those that sourced external funding to help with costs.

Officials at seven schools highlighted concerns about how these costs affected students and their schools’ budgets. According to an official in one rural decile 6 school, “There are some families who say we can’t study this because we can’t afford to pay what it costs to do that course.” Similarly, another rural decile 6 school assistant principal reported that the school covered costs for courses such as home economics, so that students who could not afford to pay for the food used during the lessons could still take that subject. He also stated that sometimes students will base their subject choice on those that do not involve financial costs, as opposed to preferred subject choice. “But if the kids don’t have the money to pay for the food – they can’t afford to do it. They don’t have a dollar to their name. So they might do [x subject] because it’s about money.”

The principal of a decile 5 school stated that: “We want to provide a quality education, but government funding only covers 79 percent of this.” An official at a decile 6 school in a rural area stated, “Theoretically education is free. Schools can’t charge for curriculum materials. But the reality is if we want a diverse curriculum, we have to charge for it. Schools are not funded enough to run a free curriculum.” The principal of a decile 3 urban school wrote, “The gap in learning opportunities being offered to NZ students is becoming more varied depending upon the parents’] economic circumstances.”

We note in this regard that during its recent review of New Zealand’s human rights record, the United Nations Committee on Economic, Social, and Cultural rights recently expressed concern at “the indirect education costs leading to school dropouts, mostly by students from disadvantaged and marginalized households.” The committee thus recommended that New Zealand “take effective steps to address indirect schooling costs, including by implementing the scheme to increase funding for public schools, so as to ensure equal access to education by all children and students.”

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