

Response of Minister Plasterk of Education, Culture and Science to the OECD report on higher education and research policy in the Netherlands

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A few years ago, the OECD (Organisation for Economic Co-operation and Development) requested its members to participate in a review of their policy on higher education. Twenty-four countries decided to take part. The Netherlands is one of the thirteen countries which, in addition, have requested an on-site critical investigation by a team of experts. The object of the review was to exchange experiences and formulate recommendations for new policies.

As far as the Netherlands is concerned, the timing of the report was excellent: it arrived at the beginning of a new cabinet term. The recommendations constitute a welcome supplement to the exploration undertaken by the cabinet in its first hundred days. The lessons to be learned from the report provide a sound basis for a reconsideration of our long-term strategy.

The report highlights the strengths of the Dutch higher education and research sector, such as adequate public funding, strong institutions and a good quality-assurance system. Furthermore, the review team points out a number of weaknesses. Several of these weaknesses have already been identified in the coalition agreement, together with concrete measures for improvement. Below I will respond to the main issues in the report:

- **Accessibility**
- **Alignment of higher education and the labour market**
- **Research and innovation**
- **Direction and long-term policy**

Accessibility

The most significant criticism of the OECD review team is that the policy focuses too sharply on young students with a good prior education. Too little attention is paid to ethnic minorities and students from lower social environments. Moreover, the lifelong learning policy provides insufficient compensation. The OECD believes that the Netherlands will not succeed in boosting its participation in higher education to 50 per cent by 2010. The OECD suggests that this is mainly due to the fact that a comparatively large number of pupils enter pre-vocational secondary education (VMBO) at the age of 12. The opportunities for transferring to higher education later on are unsatisfactory.

I will take the comments of the OECD on participation in higher education to heart. I share their concerns regarding equal opportunities for ethnic minority pupils and students. However, I am not pessimistic with respect to participation in higher education. I disagree with the suggestion that the choice of secondary school type forms an impediment to pupils' transferring to higher education. This cabinet is fully committed to combating school failure and promoting the educational success of ethnic minority pupils. No one under the age of 18 should be permitted to leave school without a qualifying diploma. That is why I intend to promote quality and a small-scale approach within the education sector. Early childhood education will be

reinforced. In the next cabinet term we will abolish legislation that hampers transfers from secondary education to higher education, especially within the vocational sector, i.e., VMBO-MBO-HBO [pre-vocational secondary education – senior secondary vocational education – higher professional education]. Figures provided by Statistics Netherlands have shown that the number of pupils completing their studies at a minimum level of MBO 2, HAVO [senior general secondary education], VWO [pre-university education] or higher is increasing, from 58 per cent in 1996 to 65 per cent in 2004. The Netherlands is very close to realising its target of a participation rate of 50 per cent in higher education. We expect that half of those born in 1988 will have entered higher education by 2011.

The OECD has made some critical remarks on the participation of people aged 30 and over in Dutch higher education. With regard to the age bracket of 30 – 40, participation in higher education is three per cent below the OECD average of 5.4 per cent. The number of new students aged 30 and above must increase. Over the past year, the central government made agreements with the business community, educational institutions and local authorities in nearly all districts. These agreements relate to the number of employees being trained. They involve 21,000 work-based learning routes (secondary vocational education and higher professional education) and 19,000 “recognition of competencies acquired elsewhere” routes in 2007, of which 8,000 were in higher professional education. In the years to come, the cabinet will expressly promote the creation of such routes. In addition, experiments are currently underway with Associate Degree programmes in higher professional education, which might be of interest to working people.

This means that we have two options for increasing the number of people with higher education qualifications: by giving secondary school pupils and students in secondary vocational education the opportunity to transfer to higher education, and by recruiting both working people and the non-employed population within the framework of the Lifelong Learning project. In its report, the OECD touches on another option: improving the success rates of higher education by reducing school failure in that sector. Another issue is the need to facilitate the accessibility of the Dutch labour market for knowledge workers from abroad.

Higher education and the labour market

Higher (professional) education in the Netherlands is strongly focused on the labour market, which the review team regards as a positive feature. However, it also identifies a number of weaknesses:

- *The low proportion of graduates in science and technology.* The OECD refers to a study conducted by the Netherlands Bureau for Economic Policy Analysis (CPB) in 2005. Although this study failed to identify any indications of the current shortages, studies conducted by the Research Centre for Education and the Labour Market (2005) continue to predict shortages for the period up to 2010. In my opinion therefore, interesting students in science and technology studies continues to be of paramount importance, also in light of the Lisbon agenda for increased investment in research and development. Over the period of 2000–2006, the intake in university science and technology programmes increased by 22%. In the coming years, policy will increasingly focus on key areas and shortage sectors in the labour market. In

addition, good practices regarding the incentive for women to pursue a career in science – such as introducing female role models in schools – will be expanded.

- *Insufficient differentiation in higher education.* This is another issue I intend to take up, but I see risks in the market incentives (open system, differentiation in tuition fees) the OECD proposes. Education is not an exhaustive market and students do not conduct themselves as consumers who are shopping for top quality. Current experiments with selection, differentiation in tuition fees and an open system, will provide insight into pros and cons.

Differentiation is further encouraged by stimulating excellence. At the moment I am preparing a programme to promote excellence in higher education – in the next few years, 50 million euros from the FES means will be available for this purpose.

In addition to the current experiments, I will comply with some of the recommendations of the OECD and set up a committee to investigate the possibilities of an open system. With various external experts I will elaborate on what exactly an open system could mean for the Netherlands in the long run, and what the pros and cons will be.

Accreditation of programmes provided in the Netherlands by institutions abroad is already possible. With a view to internationalisation, however, I see much greater significance in the expansion of the possibilities for taking along study grants worldwide, as recently accepted by the Dutch Lower House

Lecturers are responsible for contributing to the development of the professional practice and – vice versa – translating new professional developments to the education system. This is the model the OECD envisages. It is disappointing that the higher education institutions visited by the OECD have as yet not been able to paint a convincingly clear picture of how this model functions in actual practice. The creation of lectureships – lecturers and teachers involved in the activities they deploy – is still a comparatively new development. The effects measurement carried out in 2005 shows that after a few years, lectureships start to perform well within the higher education institution. In 2009 a quality assurance system for lectureships will be introduced, which will do justice to the specific nature of “design and development”.

Research and innovation

Across the board, the OECD is positive in its assessment of the developments in research and innovation. In this respect I concur and reiterate that Dutch universities rank among the top establishments of the EU countries. I therefore fail to see the need to strive for a “super league” institution.

The OECD is concerned as to whether the Netherlands will be able to attract and retain sufficient young researchers. Over the past few years, the Ministry of Education, Culture and Science has taken several initiatives to train more researchers. For instance, research master's programmes were developed to prepare students for obtaining a doctorate. In addition, several programmes have been initiated via the NWO (Netherlands Organisation for Scientific Research), such as Top Talent and Mosaic, which enable students to secure a doctorate position. Other examples include Rubicon (encouraging researchers to do work experience abroad) and Casimir (encouraging public-private mobility). Based on evaluations of these instruments, I will determine whether expansion is called for. Furthermore, I greatly value the NWO programmes aimed at individuals (which also received a positive assessment from the OECD).

The report pays quite a lot of attention to the necessity of increasing the second flow of funds via the NWO. At the same time, the obligation of the universities to match these funds would have to be reduced. In that case, the NWO would have to reimburse the expenses in full. The coalition agreement indicates that additional investments will be made in independent, pure scientific research and in second flow of funds research.

As regards the distinction between higher professional education and university education, I consider it essential for universities to focus on fundamental scientific research, whereas higher professional education institutions should concentrate on design and development. There will be, however, a single harmonised funding model for the higher professional education and university sectors.

In general, the OECD states that the co-operation between the Ministry of Education, Culture and Science and the Ministry of Economic Affairs is unsatisfactory. I wholeheartedly endorse the necessity for proper and smooth co-operation with the Ministry of Economic Affairs. The Innovation Platform has already provided a positive impetus to this end. I do recognize the OECD's observations regarding the performance of the Innovation Platform; recently the cabinet has announced the role and set-up of the new-style Innovation Platform. Furthermore, the Ministry of Education, Culture and Science and the Ministry of Economic Affairs are in the process of setting up an interdepartmental project unit for Knowledge and Innovation. Incidentally, the primacy for science policy will continue to be vested entirely with the Minister of Education, Culture and Science.

Direction and long-term policy

The review team states that the Ministry of Education, Culture and Science is disproportionately dominated by short-term responses to political-administrative imbroglios. The Ministry lacks a long-term strategy and is insufficiently acquainted with education and research practice. In the national agenda, the government is paying lip service to the Lisbon objectives, but the actual implementation is inadequate.

- **Long-term policy**

In the coming cabinet term, I intend to focus policy on the long term in particular. This autumn, as a first step, I will present a single, strategic, long-term agenda for higher education and research policy, reflecting clear objectives. This agenda will replace the separate Higher Education and Research Plan and the Science Budget. Such an agenda will also align well with the cabinet's intention to develop a long-term strategy for innovation and entrepreneurship.

- **Directional instruments**

The OECD indicates that the Ministry of Education, Culture and Science lacks effective directional instruments to implement the national agenda. Too much is left to the institutions in that respect. I endorse the need for consistent direction, but would like to add that centralised detailed direction by the government does not work. What we must aim for is a strong position for the institutions, combined with the necessary checks and balances. That is why I intend to reinforce the statutory position of students, professionals and employers.

In the opinion of the OECD, the Ministry of Education, Culture and Science does not have a financial instrument, apart from regular lump-sum funding, to implement a

specific supplementary policy. We currently have many small budgets earmarked for specific policy objectives (ICT, the vocational sector, lecturers, science/technology, etcetera), each with its own approach. I am going to take this signal to heart and, in the strategic long-term agenda, I will go into instruments that will enable us to tackle social priorities in a more focused and effective manner.

Conclusion

The report contains other significant recommendations relating to several other topics, such as student grants and loans, quality assurance and internationalisation. With regard to student grants and loans, the Dutch Lower House recently accepted two major modifications as from 1 September 2007: additional loan options for tuition fees and worldwide portability of study grants. As for quality assurance and internationalisation, I will present additional concrete proposals later this year.