



# Pacific Education and Skills Development Agenda

Guidance on education and skills development across the Pacific

June 2011

The Pacific Education and Skills Development Agenda provides guidance on AusAID's education and skills development programs across the Pacific (Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu). The agenda focuses on what matters: getting children into school, keeping them there, children's learning and young people's employability.

## Australia's engagement in Pacific education

The Australian aid program seeks to reduce the number of people living in poverty in developing countries in the Asia Pacific region and beyond. The aid program is guided by the **Millennium Development Goals** (MDGs)—eight internationally agreed goals for poverty reduction and human development. Two of the MDGs focus on education, but education is critical to the achievement of all MDGs. There is strong evidence of the links between levels of education and social stability, economic growth, good health and nutrition, and low fertility rates.<sup>1</sup>

Australia has a strong interest in the neighbouring Pacific region being secure and prosperous. The **Port Moresby Declaration**<sup>2</sup> commits Australia to working in close cooperation with Pacific island nations and Papua New Guinea to raise the standard of living in the Pacific. It reinforces the importance of education and training and commits Australia to contributing to education and training opportunities in these countries.

Australia's education assistance in the Pacific is informed not only by the Port Moresby Declaration but also by the **Pacific Education Development Framework**.<sup>3</sup> This framework guides the development of education programs that effectively respond to challenges in the Pacific region and addresses two broad agendas: a basic education agenda and a training, employment and economic agenda.

In this context, Australia has **four objectives** for its engagement in the development of education and skills in the Pacific:

1. Ensuring that all Pacific children have **access** to a basic education<sup>4</sup>
2. Making sure that education is of an acceptable **quality**, particularly to guarantee literacy and numeracy and to provide a basis for learning beyond primary school<sup>5</sup>
3. Ensuring young people have opportunities to gain the **skills** needed to connect to further education, training and employment
4. Ensuring that increased numbers of young people gain valued professional, technical or vocational **qualifications** through post-secondary education and training.

Australia wants all children to benefit from educational opportunities. It recognises that, unless the **needs of people with a disability** are met, it will not be possible to achieve the MDGs.<sup>6</sup> AusAID has committed through its disability-inclusive development strategy, *Development for all: towards a disability-inclusive Australian aid program 2009–2014*<sup>7</sup>, to work with partner governments to enable people with a disability to gain greater access to education. Support to increase their access will be informed by sound analysis of national data and through engagement with local organisations for disabled people.

**Girls education** remains a major element of Australia's development assistance program, which is committed to eliminating gender disparities at all levels of education (MDG 3) and preventing their re-emergence.<sup>8</sup>

## Some powerful lessons from research

### 1. Education is a key driver of economic development and poverty reduction

**Learning outcomes are powerfully related to individual earnings, distribution of income and economic growth.** Most of the economic benefits at the national level relate to the knowledge and skills gained. For individuals, cognitive learning is as important as—if not more so than—the number of years of schooling. Because cognitive skill levels influence economic development, greater attention needs to be paid to improving the quality of schooling and to assessing the outcomes of learning. Low-quality schools, which add less to cognitive achievement, can lead to grade repetition and dropout rates that have an impact on employment potential and future earnings.<sup>9</sup>

**The challenge is to get children into school and to keep them there, as education is essential if poverty is to be reduced and economic growth sustained.** Exclusion from school causes and perpetuates poverty. Children who miss out on a sound basic education are overwhelmingly poor, female, living in the more remote locations, from ethnic minorities or with a disability.<sup>10</sup> Education breaks the cycle of poverty for all—girls in particular. It reduces the likelihood of early marriage, early childbirth and vulnerability to sexual violence. It increases young people's employment opportunities and enhances their leadership potential.

**Good education test scores influence a country's gross domestic product.** World Bank research has illustrated that an increase in internationally benchmarked test scores of one standard deviation is associated with a 1–2% increase in annual growth in gross domestic product (2.3% for developing countries and 1.7% for member countries of the Organisation for Economic Co-operation and Development). This finding dwarfs the association between the quantity of education and economic growth.<sup>11</sup>

### 2. The quality of schooling is the pressing concern

**There is no evidence that improved enrolment and completion rates in themselves translate into improved cognitive skills.** The focus of donors and governments on increasing enrolments in recent years has failed to translate into improved learning levels and, ultimately, economic growth. Even in countries with high enrolment rates, the overall quality of basic education—measured by student performance in basic literacy and numeracy—is at best stagnant and in some cases declining. The returns from increased years of schooling increase with the quality of the education.

**Responding to the challenge of poor learning outcomes by providing additional resources—finance, buildings and equipment—has brought disappointing results.**

Research shows that these resources, while necessary, do not lead to improvements in learning outcomes on their own. As in developed countries, they need to be complemented with teachers who have had high-quality training, are motivated and assume accountability for learning outcomes.<sup>12</sup>

**Teacher quality is a key determinant of a successful school.** Evidence illustrates that effective in-service teacher education, teachers with good subject knowledge and adequate learning materials have led to improved learning. When students in well-resourced and enabling systems are taught by skilled and motivated teachers, their achievements far exceed those with poor teachers.<sup>13</sup>

**Robust assessment systems are essential to monitoring and improving the quality and relevance of education.** Targeted investment in rigorous assessment systems and the establishment of reliable baselines should enable countries and donors to improve monitoring and learning outcomes. Such investment would also allow governments to assess the impact of their programs on marginalised groups and to better shape remedies to address service shortfalls. Currently, few Pacific countries have such systems in place, particularly for assessing student achievement in the early grades.

### **3. Linking education, skills and employment is critical**

The knowledge, skills and understanding gained through good-quality education significantly increase the ability of school leavers to earn a living and to learn new skills throughout their working lives.<sup>14</sup> There are unambiguous links between the quality of basic education and the impact of post-secondary education and skills development. The imperative to develop the knowledge and skills necessary for life and productive livelihoods is reflected in the **growing importance of ongoing skills development and professional education to a nation's economy and its engagement with an increasingly globalised world**. This is especially important in the Pacific region, given its poor local employment prospects for rapidly expanding populations of young people.

Skills development is important for both economic efficiency and social equity. **The right kinds of skill development have a positive impact on economic growth, individual earnings and the distribution of income.** People with good skills are more employable and more productive at work. An effective system for developing skills connects school education to technical training, technical training to labour market entry, and labour market entry to the workplace and lifelong learning.<sup>15</sup>

**The knowledge and skills profile of a country's workforce is reflected in national and regional economic growth.** Populations with highly educated and skilled workers adapt more rapidly to changing environments and respond more quickly to economic and market opportunities.

**The benefits of gaining internationally recognised qualifications are clear.** While national and regional qualifications are valued and sought after, internationally benchmarked qualifications enable citizens to move between training providers, employers and countries, including Australia and New Zealand.<sup>16</sup> This has been demonstrated by the Australia-Pacific Technical College.<sup>17</sup>

## How are Pacific education systems performing?<sup>18</sup>

**Achieving MDG 2—universal primary education—remains a challenge.**<sup>19</sup> The primary net enrolment rate varies across the region.<sup>20</sup> In Nauru, Papua New Guinea, Solomon Islands and Tuvalu there appears to be an upward trend in this indicator of primary education; in Samoa it is stable but at a high level; and in Fiji, Kiribati, Tonga and Vanuatu it is on a downward trend. The same broad picture applies for primary grade-5 survival rates<sup>21</sup>, which range from 97% (Samoa) to 85% (Kiribati, Solomon Islands and Tonga). The causes of declining trends appear to be related to issues of school quality, access (the inability to pay school fees, for example) and community and cultural views on the value of education.<sup>22</sup>

Issues also exist in secondary education, with net enrolment rates on a declining trend in Tonga and Vanuatu and stagnating in Fiji, Kiribati and Samoa, and with gender parity on an upward trend in only Tonga and Tuvalu. On the one hand, the supply of schools is limiting access to secondary schooling, particularly in non-urban areas. On the smaller outer islands it is not practicable to provide such schooling for the small numbers of students. On the other hand, the demand for secondary schooling is constrained by the high rates of children dropping out of primary school and/or repeating grades and by unaffordable school fees.

### Trends in education performance and resilience in the Pacific

An overview of progress towards key performance targets for primary and secondary education can be gained by overlaying two sets of indicators (see the table below). The colours constitute the general status of the indicator. For example, in Fiji the overall primary net enrolment rate is high and in Solomon Islands it is low. The arrows represent the overall trend in the indicator—upwards, level or downwards. Overall, the table indicates that in Fiji the current baseline of the primary net enrolment rate is high compared with the rates of most of its regional neighbours, yet the general trend in the ratio is downwards. In contrast, Solomon Islands' primary net enrolment rate is showing an upward trend but from a low baseline.

Indicators	Fiji	Kiribati	Nauru	PNG	Samoa	Solomon Islands	Tonga	Tuvalu	Vanuatu
Primary net enrolment rate <sup>a</sup>	↘	↘	↗	↗	↗	↗	↘	↗	↘
Secondary net enrolment rate <sup>a</sup>	↗	↗	↗	↗	↗	↗	↘	↗	↘
Primary gender parity index <sup>b</sup>	↗	↗	↗	↗	↗	↗	↘	↗	↘
Secondary gender parity index <sup>b</sup>	↗	↗	↗	↗	↗	↗	↗	↗	↘
Survival rate—grade 5 <sup>c</sup>	↘	↗	↗	↗	↗	↗	↘	↗	↗
Education's share of gross domestic product	↗	↗	↗	↗	↗	↗	↘	↗	↗

<sup>a</sup> Enrolment of the official age group for this level of education expressed as a percentage of the population of that age group.

<sup>b</sup> Ratio of female to male values for net enrolment rate. An index of 0.97 to 1.03 indicates parity between the sexes; an index above 1.03 indicates disparity in favour of females; an index below 0.97 indicates disparity in favour of males.

<sup>c</sup> Percentage of a cohort of pupils enrolled in the first grade of a primary cycle in a given school-year who are expected to reach grade 5, regardless of repetition.

Note:

High	Medium	Low			
Upward trend	↗	Neutral trend	→	Downward trend	↘

Source: Education Resource Facility, 'Pacific education strategic analysis', Australian Agency for International Development, Canberra, 2009.

**Poor learning outcomes remain a formidable barrier to increased productivity and economic growth.** In most instances, schools that offer little opportunity to learn, that have unmotivated and poorly skilled teachers and that lack reading materials and other instructional resources have students with comparatively poor learning outcomes. Such schools seriously undermine the potential benefits of basic education, especially those associated with literacy and numeracy and with preparing students for post-school skills development and productive employment.

**Too many Pacific students are functionally illiterate and innumerate at the end of six years of basic education.** And much of the technical training in the region has similarly low outcomes, although not uniform.<sup>23</sup> If it is assumed that good-quality early childhood education could be made available, a concerted effort to increase enrolments at that level across the region would significantly influence children's later learning success.<sup>24</sup>

Although gains have been made in recent years and many Pacific schools are now better equipped for teaching and learning, there are still considerable shortfalls. In almost all cases teaching materials do not adequately reflect the language of instruction and the reading levels of students. It is also probable that the programs for **teacher education and professional development do not reflect national language policies.**

**The demand for skills and qualifications is strong.** Across the Pacific there is unmet demand for skilled, qualified labour, particularly in the mining, construction, engineering and tourism industries. Similarly, the demand from individuals within the labour market for internationally recognised qualifications in those areas experiencing skill shortages exceeds the ability of training systems to supply them. There is also unmet demand for recognised skills and qualifications that facilitate the transition of individuals and enterprises from the informal to the formal economy.

**Equity and access remain problematic.** Access to basic education and to opportunities for developing skills is uneven across the region, particularly for girls, the very poor, those with a disability and for those in remote regions and outer islands. Enrolments in well-resourced schools and universities whose students achieve high scores in measures of learning disproportionately favour children from urban, wage-earning families. An outcome of this bias, should it continue, is Pacific countries limiting their economic growth by inadvertently developing two-tier economies—a lower tier in which disadvantage and poverty remain prevalent, and a higher tier in which labour mobility and remittances remain an important source of wealth.

**Governments are being challenged by donors to use funds more effectively.**

The commitment of governments across the Pacific to education appears to be on an upward trend when viewed in terms of public expenditure. This trend appears to be even more significant if measured as a proportion of gross national income (including parental and donor contributions).<sup>25</sup> A pressing concern, however, is how governments can improve the effectiveness of their spending on education; governments are being increasingly challenged to employ strategies that enable them to spend their money well (where it will make a substantial difference to outcomes) and to be accountable for the results.

## AusAID's priorities

### Performance targets

AusAID has set three performance targets:

1. Improved enrolment and completion rates in basic, secondary and post-secondary education
2. Improved learning outcomes
3. Increased employability of young people.

AusAID will work closely with donor partners to assist Pacific governments to ensure that *all* children, including girls, those with a disability, the very poor and those in rural and remote areas including outer islands, have access to and complete a good-quality basic education. The challenges facing governments in the region are primarily:

- > getting the final 3–15% of children who are not in school into school (though in Papua New Guinea the challenge is greater as more than 30% of children are not in school)
- > providing schooling that consistently meets both community and cultural expectations and an acceptable minimum standard of quality.<sup>26</sup>

AusAID will also assist partner governments to ensure that their young people have access to regionally and/or internationally recognised professional, technical and vocational education and training across the region.

AusAID recognises that meeting these targets means overcoming a number of complex challenges, particularly those related to capacity constraints within AusAID and its partner governments and to the quality and capacity of many public and private providers of education and training. Within AusAID, a significant effort will be made to increase staff engagement in education sectoral programs and their knowledge of education and training policy and practice, and to increase the quality and depth of support provided to staff.

Capacity shortfalls in partner governments will be addressed through professional development for key personnel, access to expertise and global best practice, and Pacific-based country-to-country knowledge sharing. A concerted effort will also be made to improve the quality of education and training delivered by both public and private providers across the region. The establishment and maintenance of service standards will be a core element of Australian support in this regard. Providing grants to schools and to training and tertiary institutions, upgrading the skills and qualifications of teachers and instructors, providing appropriate teaching and learning materials and, where necessary, improving facilities and equipment will also help improve the quality of education and training in the region.

### Performance indicators

In addition to the country-specific program performance indicators agreed to under Pacific Partnerships for Development, AusAID will use four indicators to assess progress towards the targets:

1. Improved net enrolment rates in basic, secondary and post-secondary education
2. Improved completion rates in basic, secondary and post-secondary education
3. Improved literacy and numeracy rates for primary school children

4. Increased numbers of young people with qualifications that are accepted regionally and/or internationally.

Country-specific baselines against which performance will be assessed annually will be drawn from 2009–10 data for each indicator. Once trends and influencing factors are established, numeric targets will be set and agreed with partner governments, and interventions more clearly directed at achieving these targets.

### Priority interventions

If the performance targets are to be met and the gains sustained, Australia will need to support critical reforms and interventions in the education sectors of Pacific countries. It recognises that these reforms and interventions must be embedded in policy and reflect decisions that are evidence-based and, where possible, informed by recent public expenditure reviews.

The priority interventions will guide how AusAID engages with ministries and will inform discussions on policy and operations. Individually, they will contribute to achieving very specific objectives within country programs: increased access to education, improved learning outcomes, increased employability, and access to valued qualifications.

While AusAID recognises that a ‘one size fits all’ prescriptive approach for addressing the Pacific region’s education challenges is not appropriate, it also is aware that there are commonalities in good education practice that can be built on and/or replicated. Nevertheless, AusAID is cautious about promoting approaches that assume successful interventions in one country can be readily adapted to or adopted by another.

To help a country meet its education targets, and for AusAID to meet its own, the agency will support, where appropriate, policies and interventions to:

- > **increase access to education** by:
  - reducing financial and social barriers to basic education
  - upgrading existing school facilities<sup>27</sup>
  - clearly defining the pathways between secondary schooling and post-secondary professional, technical and vocational education and training, and between the providers of post-secondary education and training
- > **increase learning outcomes** by:
  - improving early childhood education
  - ensuring that schools and teacher training institutions are adequately staffed with motivated and competent teachers and trainers
  - establishing high-quality, evidence-based programs for the professional development of teachers
  - ensuring schools have access to high-quality and relevant curriculum materials and assessment tools that improve learning in the early years
  - developing appropriate language policies for education in multilingual societies
  - increasing the autonomy and accountability of schools and institutions, introducing minimum standards for the services provided and for learning outcomes, and distributing grants as a means of supporting the standards
  - improving leadership and management, and management systems and tools, at the local, regional and national levels for general education and skills development

- > **increase skills for employability/qualifications** by:
  - assisting a wide range of viable local training providers—both public and private, urban and rural—to ensure they are able to flexibly provide recognised skills and qualifications that are in demand and valued in the national, regional and international labour markets
  - ensuring that the opportunities to develop skills after secondary school, both locally and in the region, are accessible to women, people with a disability and those living in rural areas and on outer islands
  - consolidating the role of industry as a critical partner in developing, delivering and monitoring the quality of regional and national training.

**Australia will enlarge its scholarship programs.** Australia has provided scholarships to students in the Pacific region for more than 50 years through a variety of programs. Currently, the bulk of these scholarships are development scholarships, provided to enhance the recipients' knowledge, skills and leadership qualities. AusAID will ensure that its growing scholarship programs are aligned with national plans for human resource development. This is consistent with the Cairns Compact<sup>28</sup> and will ensure that partner governments are able to drive the scholarship programs to serve their own development needs, and allow Australia to remain responsive to those needs.

## Strategies to deliver on AusAID's priorities

### Develop partnerships

AusAID will work to **add value to existing relationships** with the intention of making its aid more effective and its partnerships with countries, donors and regional institutions more productive. It will focus on working with countries on implementing their agendas for education and skills development and on maximising available resources to **gain quantifiable results**.

AusAID will **engage with governments, church agencies and other non-government providers** to ensure that education and training services focus on increasing the learning outcomes and employability of young people.

AusAID will **partner business, industry and employee associations** to increase the relevance of skills development, foster quality on-the-job learning, open new pathways to employment and training, and share the costs of developing the skill pools of individual countries and the Pacific region.

### Strengthen regional and national institutions

AusAID will selectively support regional and national programs and institutions that improve in-country education services and/or provide high-quality post-secondary education and training services that complement Australia's bilateral programs.

As part of its support for the Pacific Education Development Framework, and to ensure that there is adequate capacity to support literacy and numeracy assessment and benchmarking, Australia will **increase its support for the Secretariat of the Pacific Board for Educational Assessment**. In addition to its commitment to continue providing 'core funding' to the secretariat, and to establish a Pacific Register of Qualifications and Standards in support of regional student and labour mobility, AusAID will develop the secretariat's capacity to conduct literacy and numeracy assessments and to use the results of those assessments to improve teaching and learning.

In support of academic and professional education, Australia will **continue its support of the regional university, the University of the South Pacific**, with a view to assisting it to become a flagship professional institution that is dedicated to high-quality tertiary education, innovation, leadership and research. AusAID will also explore ways to develop the university's capacity to support teachers' professional development through its School of Education and to develop new sectoral knowledge through its Institute of Education. Australia will also partner the university to develop public sector capacity through the Pacific Islands Centre for Public Administration.

To support formal skill development in the Pacific, Australia is **committed to expanding and strengthening the services of the Australia-Pacific Technical College**. AusAID will ensure that a broader range of people have access to Australian qualifications through the college. It will also ensure that viable local training providers are better able to provide qualifications and skills that are valued in national, regional and international labour markets and that meet the entry requirements of the college and other regional training institutions. The Australia-Pacific Technical College will provide demand-driven Australian qualifications at the Certificate III level and above. In addition, to increase the capacities of local training providers, the college will offer a Certificate IV in Training and Assessment and a Diploma of Training and Assessment and will establish a Centre for Professional Development to improve and bring greater coherence to training and assessment within the region.

Within its bilateral programs, Australia will **continue to support key national institutions providing post-secondary education**. These include the University of Papua New Guinea, the National Research Institute in Papua New Guinea, the Kiribati Institute of Technology and the Solomon Islands College of Higher Education. Where appropriate, this assistance will provide or upgrade facilities and/or equipment, boost research activity, improve course content and strengthen links with industry and commerce.

#### **Increase accountability for service delivery and outcomes**

Australia will **provide targeted assistance to governments, schools and post-secondary institutions to increase their accountability** for the services they deliver and for the outcomes. High priority will be given to assisting them to develop and implement sustainable information, monitoring and assessment systems, and to increase their capacity for managing and reporting on public finances.

As the largest donor in the region, Australia has a prominent position in the education sector and is well positioned to promote the principles of the Paris Declaration, the Accra Agenda and the Cairns Compact. These include making greater use of country systems, where appropriate, and reducing partner governments' transaction costs associated with donor support. Australia will **work with like-minded donors to strengthen those country systems that have the greatest influence on education outcomes**—public financial management, teaching service reform, medium-term expenditure and sectoral rolling plans, for example. Also, by coalescing support around a single sectoral plan, and by taking or working towards a sector-wide approach<sup>29</sup>, AusAID (alongside its donor partners) can better ensure that Australia's assistance is 'on policy' and 'on budget'.

## Promote evidence-based decision making

Two of the three targets in the Pacific Education and Skills Development Agenda focus on learning outcomes. Although these are simply articulated, they involve complex sets of factors about which little is known in the Pacific. This presents a challenge for AusAID, which is committed to ensuring its decisions on support are evidence-based, reflect the context in which the support will be provided and draw on best practice and current knowledge of services provided and the costs involved. It will need to **invest in developing its knowledge of Pacific education and its understanding of the issues** critical to effective education. In addition to financing much needed primary research, AusAID will support the collation of existing knowledge, learn from its own experiences, and ensure that its staff are able to use the knowledge gained in policy dialogue and operational discussions.

As AusAID implements this agenda, its research efforts will consolidate knowledge on:

- > **access to education** for marginalised populations, particularly girls and people with disability
- > **the quality of education** in terms of:
  - language, literacy and learning
  - curriculums and assessment of learning outcomes
  - teachers' professional development
  - minimum service standards, school-based management and the role of school grants
- > **the opportunities to gain skills/qualifications** by focusing on:
  - current financing for education and training, the costs of service delivery, and public expenditure reviews
  - the demand for and supply of regional training, its performance and its efficiency.

AusAID's research priorities will be determined annually to ensure that the research is timely and delivers the information demanded and in a way that ensures AusAID staff, partner government officials, industry, local stakeholders and service providers better understand the context within which they operate and the options available to them to improve services and outcomes.

However, this knowledge alone will not be sufficient to ensure that AusAID has adequate capacity to meet its targets. AusAID's way of working is evolving from delivering aid through contracted project managers, to supporting a partner country's own sectoral programs and, where appropriate, relying on government procedures and systems to plan, disburse and account for all funds. This shift requires managers at AusAID Posts to be more engaged in dialogue on policy and operations and to have strong technical, managerial and monitoring skills. To this end AusAID is providing in-house seminars, workshops, and advisory and mentoring services. As AusAID moves from funding projects that focus on delivering inputs and assessing outputs to providing program support that focuses on outcomes, it will establish and maintain the means to measure its performance.

## Ways of working

AusAID will face challenges as it moves the Pacific Education and Skills Development Agenda forward. Among these is a need to revisit how it works in the sector, engages with donor and government partners, and how staff work within the agency.

Through the **Pacific Partnerships for Development**, most of which have education as a priority area, Australia and its Pacific partners have committed to achieving shared goals, more rapid progress towards the MDGs, and better development outcomes. The fundamental principles underlying the partnerships are mutual respect and mutual responsibility. AusAID will ensure that outcomes remain at the forefront of sectoral policy and the partnerships.

AusAID will also ensure that it is **contributing to sustainable education programs**. Achieving sustainable improvements in education and training requires a long-term strategic and financial commitment. Through the partnerships, its support of interventions such as school grant programs, literacy and numeracy assessments, public financial management and sectoral reforms, and the Australia-Pacific Technical College, Australia will demonstrate its commitment to establishing stable, sustainable education programs. The initial steps towards meeting this commitment include ensuring that AusAID's education support is 'on policy' and 'on budget' and that the short-term targets of partner governments' programs are achievable—organisationally, technically and financially.

AusAID will **support sectoral reforms that aim to increase the capacities of institutions, organisations and individuals**. Institutional reform is a complex and long-term commitment, which requires adequate planning and appropriate sequencing of reforms and programs. However, while the management of change may be protracted, many countries have successfully achieved desired reforms by drawing on international best practice and lessons from similarly positioned countries and by using, where appropriate, suitable technical assistance while preparing their staff to take on new roles.

AusAID will look for strategic opportunities across all of its programs **to partner private sector firms and industry associations in raising skill levels, increasing the investment of firms in the skills of their workforces and creating jobs for skilled people in the Pacific**. The private sector has a key role not only as a client of vocational learning but also as a provider of both off-the-job and on-the-job training and as the primary employer of apprentices and skilled workers in most Pacific countries. Because public sector employment will be at best maintained at current levels but more likely progressively reduced through privatisation, job growth in the Pacific will depend on a private sector committed to creating employment opportunities.

Partnerships with the private sector will need to reach well beyond the boundaries of AusAID's work with the education sector. The Pacific Agreement on Closer Economic Relations (PACER) Plus<sup>30</sup> will include skills development for Pacific island countries. The Cairns Compact emphasises that broad-based growth led by the private sector is essential for achieving faster development and that donors should encourage the private sector through a range of strategies.

AusAID will continue to **support competency-based approaches to developing and assessing skills**. These approaches will be benchmarked against international standards, and will work towards establishing, where necessary, national and regional qualifications frameworks, registering of training providers and accrediting courses under national qualifications authorities where they have been established.

AusAID will **support the introduction of performance incentives**. The Education for All – Fast Track Initiative has demonstrated that rewarding results produces gains, both in how the education system performs and in commitments to the sector in national budgets.<sup>31</sup> In other sectors (fisheries in Kiribati, for example) performance incentives have produced impressive results and stimulated necessary reforms of policy and programs. AusAID will use financial and non-financial performance-based incentives to encourage Pacific governments to move more quickly towards the reforms that will bring full access to schooling, higher skill levels and, critically, better learning.

AusAID is committed to **ensuring that work in its Pacific Division is more efficient, effective and coherent**. This will include close collaboration between the division's various education teams. Specific areas of cooperation will be defined to include joint work and research that affects all (or most) countries, intergovernmental exchanges and training programs, and staff development.

**AusAID will substantially increase the technical support provided to its Posts.** Staff will receive support and advice as the Pacific Education and Skills Development Agenda is implemented. This will include access to an advisory team consisting of a Pacific education advisor, advisors on Papua New Guinea education and sectoral specialists in skills development, labour mobility, teacher professional development, curriculum and assessment. The advisory team will be maintained as an education program resource in the Pacific Division. Although the advisory team will respond to requests from Posts for assistance in any aspect of their programs, it will primarily focus its assistance on ensuring that the strategic direction of the Pacific Education and Skills Development Agenda is clear throughout AusAID's education program and that AusAID maintains a strong focus on quality in all of its education work.

In addition, AusAID's Education Thematic Group and its Education Resource Facility will be used to provide Posts with assistance and support in, for example, drafting terms of reference for specific tasks, sourcing and managing short-term technical assistance, design teams and independent reviewers, disseminating global knowledge, and assisting in staff development.

## Agenda in brief

### Performance targets

1. Improved enrolment and completion rates in basic, secondary and post-secondary education
2. Improved learning outcomes
3. Increased employability of young people

### Performance indicators

1. Improved enrolment rates in basic education, secondary and post-secondary education
2. Improved completion rates in basic education, secondary and post-secondary education
3. Improved literacy and numeracy rates for primary school children
4. Increased numbers of young people with qualifications that are accepted regionally and/or internationally

### Priority interventions—country-specific selections must reflect sectoral analyses and be financially sustainable

- > Reducing financial and social barriers to education
- > Upgrading existing school facilities
- > Improving early childhood education
- > Ensuring that schools and teacher training institutions are adequately staffed with motivated and competent teachers and trainers
- > Establishing high-quality, evidence-based programs for the professional development of teachers
- > Ensuring schools have access to high-quality and relevant curriculum materials and assessment tools that improve learning in the early years
- > Developing appropriate language policies for education in multilingual societies
- > Increasing the autonomy and accountability of schools and institutions, introducing minimum standards for services provided and learning outcomes, and distributing grants as a means of supporting the standards
- > Improving leadership and management, and management systems and tools, at the local, regional and national levels for general education and training
- > Assisting viable local training providers to ensure they are able to provide valued skills and qualifications
- > Ensuring that opportunities to develop skills are accessible to women, people with a disability and those living in rural areas or on outer islands
- > Consolidating the role of industry as a partner in developing, delivering and monitoring training
- > Clearly defining the pathways between secondary schooling and post-secondary education and training, and between the providers of post-secondary education and training
- > Strengthening Australia's scholarship programs

### Strategies to deliver on these priorities

- > Develop partnerships
- > Strengthen regional and national institutions
- > Increase accountability for service delivery and outcomes
- > Promote evidence-based decision making

### New ways of working

- > Use Pacific Partnerships for Development to achieve shared goals and better outcomes
- > Contribute to sustainable programs and make long-term commitments that are 'on policy' and 'on budget'
- > Support sectoral reforms that draw on international best practice and lessons learned to increase capacity.
- > Partner private sector firms and industry associations in raising skill levels
- > Support competency-based approaches to developing and assessing skills
- > Support the introduction of performance incentives
- > Increase in-house technical support, cooperation and efficiency

## End notes

- 1 See, for example, E Appiah & W McMahon, 'The social outcomes of education and feedbacks on growth in Africa', *Journal of Development Studies*, vol. 38, no. 4, 2002, pp. 27–68, and WW McMahon, 'The social and external benefits of education', in G Johnes & J Johnes (eds), *International handbook on the economics of education*, Edward Elgar Publishing, Cheltenham, 2004, pp. 211–59.
- 2 The full text of the Port Moresby Declaration is available at [www.ausaid.gov.au/country/PortMorDec.cfm](http://www.ausaid.gov.au/country/PortMorDec.cfm).
- 3 The full text of the Pacific Education Development Framework is available at [www.paddle.usp.ac.fj/collect/paddle/index/assoc/pifs046.dir/doc.pdf](http://www.paddle.usp.ac.fj/collect/paddle/index/assoc/pifs046.dir/doc.pdf).
- 4 Basic education is defined differently by countries across the region. In some cases it includes only primary education (classes 1 to 6), in others primary and lower secondary (classes 1 to 6 and forms 1 and 2) and in others primary and three years of junior secondary. In all cases, Australia adheres to each country's definition.
- 5 As evidence accumulates to show that objectives 1 and 2 are being met, Australia will provide increased support to expand children's access to a good-quality secondary education and to a wider range of options to gain post-secondary education and to develop their skills.
- 6 Fewer than 10% of children and youth with a disability in the Asia-Pacific region have access to primary education (ESCAP, *Disability at a glance: a profile of 28 countries and areas in Asia and the Pacific*, Economic and Social Commission for Asia and the Pacific, United Nations, Bangkok, 2006, viewed May 2011, <[www.unescap.org/esid/psis/disability/publications/glance/disability%20at%20a%20glance.pdf](http://www.unescap.org/esid/psis/disability/publications/glance/disability%20at%20a%20glance.pdf)>).
- 7 AusAID, *Development for all: towards a disability-inclusive Australian aid program 2009–2014*, Australian Agency for International Development, Canberra, 2008, viewed May 2011, <[www.ausaid.gov.au/keyaid/pdf/FINAL%20AusAID\\_Disability%20for%20All.pdf](http://www.ausaid.gov.au/keyaid/pdf/FINAL%20AusAID_Disability%20for%20All.pdf)>.
- 8 Recent research showed that an increase of 1% in the number of girls in secondary education can boost annual income per person by 0.3% and four additional years of schooling can lower fertility rates (M Tembon & L Fort (eds), *Girls' education in the 21st century: gender equality, empowerment and economic growth*, World Bank, Washington, DC, 2008, viewed May 2011, <[http://siteresources.worldbank.org/EDUCATION/Resources/278200-1099079877269/547664-1099079934475/Edu\\_Quality\\_Economic\\_Growth.pdf](http://siteresources.worldbank.org/EDUCATION/Resources/278200-1099079877269/547664-1099080014368/DID_Girls_edu.pdf)>).
- 9 S Ndaruutse, *Grade repetition in primary schools in Sub-Saharan Africa: an evidence base for change*, literature review, CfBT Education Trust, Reading, 2008, viewed May 2011, <[www.cfbt.com/evidenceforeducation/.../Grade%20Repetition\\_FINAL\\_8FEB08.pdf](http://www.cfbt.com/evidenceforeducation/.../Grade%20Repetition_FINAL_8FEB08.pdf)>.
- 10 UNESCO Institute of Statistics, *Children out of school: measuring exclusion from primary education*, UNESCO Institute of Statistics, Montreal, 2005, viewed May 2011, <[www.uis.unesco.org/template/pdf/educgeneral/OOSC\\_EN\\_WEB\\_FINAL.pdf](http://www.uis.unesco.org/template/pdf/educgeneral/OOSC_EN_WEB_FINAL.pdf)>.
- 11 E Hanushek & L Wossmann, *The role of education quality for economic growth*, World Bank Policy Working Paper 4122, World Bank, Washington, DC, 2007, viewed May 2011, <[http://siteresources.worldbank.org/EDUCATION/Resources/278200-1099079877269/547664-1099079934475/Edu\\_Quality\\_Economic\\_Growth.pdf](http://siteresources.worldbank.org/EDUCATION/Resources/278200-1099079877269/547664-1099079934475/Edu_Quality_Economic_Growth.pdf)>.
- 12 See, for example, C Mpokosa & S Ndaruutse, *Managing teachers: the centrality of teacher management to quality education—lessons from developing countries*, CfBT Education Trust, Reading, 2008, and P Bennell, *Teacher motivation and incentives in Sub-Saharan Africa and Asia*, Knowledge and Skills Development, Brighton, 2004, viewed May 2011, <[www.eldis.org/fulltext/dfidtea.pdf](http://www.eldis.org/fulltext/dfidtea.pdf)>.
- 13 M Barber & M Moushied, *How the world's best-performing school systems come out on top*, McKinsey & Company, London, 2007, viewed May 2011, <[www.mckinsey.com/App\\_Media/Reports/SS0/Worlds\\_School\\_Systems\\_Final.pdf](http://www.mckinsey.com/App_Media/Reports/SS0/Worlds_School_Systems_Final.pdf)>.
- 14 See, for example, G Psacharopoulos & HA Patrinos, 'Returns to investment in education: a further update', *Education Economics*, vol. 12, no. 2, 2004, pp. 111–34, and International Labour Office, *Skills for improved productivity, employment growth and development*, report V, International Labour Conference, 97th Session, Geneva, 2008, viewed May 2011, <[www.ilo.org/wcms5/groups/public/---ed\\_norm/---relconf/documents/meetingdocument/wcms\\_092054.pdf](http://www.ilo.org/wcms5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_092054.pdf)>.
- 15 International Labour Office.
- 16 Although skills development is necessary for economic and social development, it is not sufficient. It cannot overcome structural weaknesses in an economy, solve unemployment, create jobs, address the social consequences of unemployment for individuals and communities, or shift unproductive firms to a higher level. Skills development must be an integral part of a broader strategy for employment and economic growth as well as an education strategy if it is to contribute to overall productivity and employment growth.
- 17 Evidence is emerging that indicates that graduates of the Australia-Pacific Technical College are highly regarded by employers and industry, graduates believe their college qualifications have enhanced their employment and career prospects, and individual and organisational productivity has increased as a consequence of college inputs (Kaye Schofield, Hong Tan, Celi Bryant & Jim Catchlove, *Australia-Pacific Technical College mid-term review*, final report, 22 June 2009, viewed May 2011, <[www.ausaid.gov.au/publications/pdf/aptctr-mainreport.pdf](http://www.ausaid.gov.au/publications/pdf/aptctr-mainreport.pdf)>).
- 18 All data in this section are taken from Education Resource Facility, 'Pacific education strategic analysis', Australian Agency for International Development, Canberra, 2009.
- 19 The target is that by 2015 all children, boys and girls alike, will be able to complete a full course of primary education.
- 20 Defined as the enrolment of the official age group for a primary level of education expressed as a percentage of the population of that age group.
- 21 Defined as the percentage of a cohort of pupils enrolled in the first grade of a primary cycle in a given school-year who are expected to reach grade 5, regardless of repetition.
- 22 It must be noted that meeting the MDG 2 indicators of the net enrolment rate and the completion rate of grade 5 of primary schooling are only proxy indicators of the achievement of a minimum standard of primary education.
- 23 The adult literacy rate (for people aged 15 years and over) varies within the region from a low of 57% in Papua New Guinea to 99% in Samoa and Tonga. The learning levels achieved remain low by international standards, and persistent inequalities are hindering progress towards the goal of 'Education for All'.
- 24 UNESCO, *Strong foundations: early childhood care and education*, Global Monitoring Report 2007, United Nations Educational, Scientific and Cultural Organization, Paris, 2006, viewed May 2011, <<http://unesdoc.unesco.org/images/0014/001477/147794e.pdf>>.
- 25 Education Resource Facility.

26 The Pacific Education and Skills Development Agenda acknowledges and supports the premise that countries will set their own service standards for their education systems and use different ways to articulate those standards and different approaches to meet them. Samoa and Tonga, for example, have adopted minimum service standards for schools and are employing a system of school-based management, school planning and annual school grants as the means of supporting those standards.

27 AusAID intends that investments to upgrade facilities are made to ensure that children have a safe and conducive learning environment. The construction of new schools will be supported only if there are no existing schools within a reasonable distance of communities or if existing facilities are damaged to the extent that rehabilitation is not a cost-effective option.

28 The Cairns Compact on Strengthening Development Coordination in the Pacific <[www.ausaid.gov.au/publications/pdf/CairnsCompact.pdf](http://www.ausaid.gov.au/publications/pdf/CairnsCompact.pdf)> is an initiative that was agreed by Pacific leaders at the 2009 Pacific Islands Forum. It sets out actions designed to improve the coordination and use of development resources in the Pacific, in line with international best practice as expressed in the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action <[www.oecd.org/dataoecd/30/63/43911948.pdf](http://www.oecd.org/dataoecd/30/63/43911948.pdf)>.

29 A sector-wide approach is a way of directing all significant funding (public and private) for a sector through a single strategy and expenditure framework, under government leadership. It involves donors adopting common approaches to development across the sector, and progressively relying on government procedures to plan, disburse and account for all funds.

30 At the 2008 Pacific Islands Forum Leaders' meeting in Niue, leaders reaffirmed the importance of pursuing greater integration of economies and trade as a regional priority. They endorsed the development of a detailed roadmap to establish an integration agreement, known as the Pacific Agreement of Closer Economic Relations (PACER) Plus <[www.ausaid.gov.au/country/pacific/trade.cfm](http://www.ausaid.gov.au/country/pacific/trade.cfm)>.

31 Fast Track Initiative, *The road to 2015: reaching the EFA goals*, Annual Report 2008, Education for All – Fast Track Initiative Secretariat, World Bank, Washington, DC, 2008, viewed May 2011, <[www.educationfasttrack.org/media/library/Annual\\_Report\\_2008\\_EFA\\_FTI.pdf](http://www.educationfasttrack.org/media/library/Annual_Report_2008_EFA_FTI.pdf)>. Fourteen countries endorsed by the Fast Track Initiative have gross enrolments of more than 100% and, of those in the 90–100% enrolment range, six have improved enrolments by between 12% and 20. Gender parity has increased in countries endorsed by the initiative from 0.87 in 2000 to 0.92 in 2006, and from 0.82 to 0.89 in Sub-Saharan endorsed countries.