

## **IS PUBLIC EDUCATION A NATIONAL ASSET WE CAN EXPLOIT? Answering the world's demand for quality education**

### **Executive Summary**

- Education funding in all Canadian provinces has been under extreme pressure in recent years.
- Manitoba school divisions are looking at alternative funding arrangements; and several urban and rural school divisions have established International Education departments to encourage international students to attend their primary and secondary schools.
- International students attending secondary schools in Manitoba provide economic and non-economic benefits to schools, students, the community and the economy.
- Educational opportunities for international students are found in several countries around the world, including the United States, England, Australia and Germany.
- Manitoba and other Canadian provinces are working with international students and their governments to bring Canadian education to developing countries and other nations.
- The Manitoba curriculum for public schools has been adopted by two schools in China and one school in Thailand
- The World Education Market (WEM) is an estimated trillion-dollar industry that provides both domestic and global opportunities.

### **Introduction**

Global demand for quality education is growing dramatically. Manitoba's public schools, school divisions and other educational institutions have a unique opportunity to fill this need. In doing that, they can simultaneously relieve their considerable fiscal problems. By co-operating with developing countries and their governments, Manitoba could offer sophisticated educational services for international students and also contribute to the funding structure of the province's own public school system. This new "business" of education could mark Manitoba's introduction into the World Education Market (WEM).

### **The World Education Market (WEM)**

What is the World Education Market? This relatively new term describes a modern phenomenon, a conceptual move from regarding schools as a core public service to viewing them instead in the wider context of the "business of education." Within this emerging global market, regarding education as a "business" means opening up traditional schooling services to non-traditional activities, including the recruitment of foreign students, distance learning, the contracting out of

existing education services, education vouchers and many other options.<sup>1</sup> The scope of this new education business is only limited by government restrictions or school division resources.

This changing paradigm is reflected in a 1995 speech by the past president of Confederation College, Roy Murray, "How colleges can win in a hot international market." Although Murray was referring to post-secondary schools, his thoughts apply with equal forces to primary and secondary schools. "Education is one of the hottest selling items in the international marketplace today, and the competition is tough," Murray said. "Whether it is new technology or the understanding of the market economy, developing nations see that the road to progress is through a well-educated workforce."<sup>2</sup>

His prescient advice has been well received. Canada has begun to take a leading role in the entrepreneurial outreach of school services. The federal Department of Foreign Affairs and International Trade (FAIT) promotes this "exporting" of education and training products and services. The department's Canadian Knowledge Industry Home Page states its purpose as "to assist the Canadian Knowledge Industry to promote and export its products and services offered in international markets."<sup>3</sup> According to FAIT, the knowledge industry includes public and private institutions, companies and organizations that provide primary, secondary, post-secondary, vocational and corporate education and training and/or produce education materials, texts and software.

Canada is striving to become a member of this World Education Market and according to the department, "Canada's international reputation is a source for top quality education, a welcoming study destination for international students and experience with leading edge information and communication technologies in education promises an exciting future for exporters in the Canadian Knowledge Industry."<sup>4</sup>

### **Manitoba's initiation into the World Education Market**

Manitoba's public schools are facing a crucial time of challenges and opportunities. The knowledge economy is expanding at exponential rates. Technology is moving at an ever-increasing pace, a speed that requires social institutions to act quickly and responsibly to respond to local and external pressures.

The foremost concern is scarce resources. Provincial governments in Canada are undergoing unprecedented pressure from expanding healthcare costs, and municipal governments have reached, perhaps even passed the limits of revenue from traditional sources like property taxes. Rising salaries, the increasing costs of supporting utilities, higher insurance premiums and many other burgeoning expenses for materials and expensive hardware are forcing public schools into a search for creative solutions to increase revenues and "do more with less." Is this possible or even feasible? Answering this question depends on the willingness of government, the public, and the community to accept and adopt new solutions. The new World Education Market provides a convenient platform for resolving this predicament.

Managing this transition into a World Education Market effectively will enable Manitoba's public school system to maintain and improve itself. Full participation in the new knowledge industry could and should become an important priority. In order for Manitoba to take full advantage of this new market, it is important to understand how public schools have evolved here, and the import of some past reforms.

### **Where we are now**

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<sup>1</sup> "The World Education Market Comes to Canada: Competition a Two Trillion Dollar Global "Industry." *Our Schools, Our Selves*, January 2001.

<sup>2</sup> Roy Murray, Canadian Speeches of the Day, June, 1995.

<sup>3</sup> Department of Foreign Affairs and International Trade <http://www.dfait-maeci.gc.ca/ics-cki/menu-en.asp>

<sup>4</sup> Ibid

The government of Manitoba passed its first piece of education legislation, *The School Act*, in 1871. At that time, the one-room schoolhouse educated all children, regardless of age or grade. As Manitoba's population grew, the Department of Education was established to oversee the development of this important force for social improvement. In Canada the industry has remained a provincial responsibility and under *The Public Schools Act*, schools boards are "to serve the best educational interests of students...and contribute to the development of a fair, compassionate, healthy and prosperous society."<sup>5</sup>

This year, 188,498 children are attending public schools in Manitoba.<sup>6</sup> The federal government plays an indirect role by providing financial support for education through transfer payments to the provinces and territories. Each province determines where this revenue is allocated in its budget. But other budget pressures have put the public schools into a squeeze. In constant dollars, combined public and private expenditures for elementary and secondary education in Manitoba declined from \$1,849 million in 1999-2000 to \$1,815 million in 2001-2002.<sup>7</sup>

Manitoba's public school boards are responsible for the administration of elementary and secondary curriculum. They set budgets, respond to local concerns and in recent years have been reviewing and assessing their own options to improve and enhance academic standards. School boards have been amalgamating, entering agreements to share services and reducing their own size, all to offset the declining proportion of financial resources allocated to them. What impact have these initiatives had on the quality of public education? What options or possibilities exist for school divisions to increase their fiscal resources? Are changes in governance or restructuring initiatives the answer to financial pressure?

Although these changes perhaps produced some cost savings and enhanced efficiencies, they have not solved the fundamental problem of declining resources in tandem with exploding costs. In her book, *Shifting Gears*, Nuala Beck argues for a new map, new ways of doing things that offer real hope for the future.<sup>8</sup> She was referring to the information economy, and its potential for resolving the basic conundrum.

### **Looking Forward: A New Road Map**

With an eye to the future, but their feet planted firmly in fiscal reality, some school divisions and provincial governments across Canada are experimenting with new ways to raise revenue. Globalization, rapid technological growth, free trade and alternative service delivery of public programs have become commonplace concepts. We left the one-room schoolhouse behind, and moved to a diverse network of public schooling. The next step is the adaptation of that resource to modern realities.

Changing demographics are putting increased pressures on healthcare and other Canadian social programs, and in that context public school divisions and provincial governments are looking outside of the country to balance education budgets. The United States, England, Australia and Germany are some of Canada's chief competitors in the international student market.

### **Why Study in Canada?**

Some of Manitoba's public school divisions have established formal International Education programs. These programs market the Manitoba curriculum to schools and private institutions all over the world. International students who attend Manitoba's elementary and secondary schools pay tuition to these school divisions. In Manitoba, Pembina Trails, St. James-Assiniboia and River East-Transcona school divisions all have formal programs. Interlake, Lakeshore, Lord Selkirk,

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<sup>5</sup> *The Manitoba Public Schools Act*

<sup>6</sup> *Schools In Manitoba* [http://www.edu.gov.mb.ca/ks4/schools/2004\\_mb\\_schools\\_book.pdf](http://www.edu.gov.mb.ca/ks4/schools/2004_mb_schools_book.pdf)

<sup>7</sup> Statistics Canada <http://www.statcan.ca/english/freepub/81-582-XIE/2003001/excel/chapB1.xls>

<sup>8</sup> Nuala Beck, *Shifting Gears* (1992) <http://www.gov.ns.ca/finance/stats/div/papers/know/c6.htm>

Portage la Prairie and Western school divisions all offer international student programs. As well, private schools including Balmoral Hall, St. John's Ravenscourt, and the University of Winnipeg Collegiate offer their curriculums to the international market.<sup>9</sup>

*The Report on International Students in Manitoba 2000/01* states that there are 361 international students studying in the province's public schools.<sup>10</sup> This includes students who are enrolled for one academic year, English-as-a-Second Language (ESL) students, students enrolled for one term/semester, or those students who attend on a short-term basis (four-week or one-month programs). Students' tuition is based on their choice of school and the length of time that they attend.

What impact do these 361 students have on the Manitoba economy? The answer can be expressed in both economic and non-economic terms. The tuition received from these students is approximately \$2.4 million.<sup>11</sup> These fees do not include accommodation, insurance costs, basic food and other miscellaneous expenses. Other non-economic advantages are far more difficult to measure. The cultural mix of having international students in a classroom contributes a unique value to the perspective of locally born students. Many of these foreign students choose to pursue a post-secondary education in Manitoba and thereby further contribute to the economy and the community. As well, international students offer a potential source of future immigrants.

The estimates for last year continue to project a positive trend in international student recruitment. Compared to the previous fiscal year, international student enrollment in public and private schools increased by 36.4% in 2002-2003<sup>12</sup>

### **Reaching Beyond Manitoba's Borders**

Three schools in Asia have something in common with Manitoba's secondary school students. They share the same curriculum. Two schools in China and one in Thailand have the same academic standards as those of our students. A new office of Manitoba Advanced Education and Training, the International Education branch, receives requests from other countries to use Manitoba's curriculum in their schools.

Manitoba is not alone in this venture. Ontario, Saskatchewan, Nova Scotia, and New Brunswick are all sharing their curriculum with foreign schools. And British Columbia is embarking on the next step in this process.

### **The British Columbia solution?**

British Columbia's Bill 34, *The Schools Amendment Act*, is changing the way its residents view public education. Although the major purpose is to attract international students to British Columbia schools, the new administration is choosing a modified education model. School boards in BC now possess the authority to operate schools in other countries and offer their curriculum in these schools. This bill allows school boards to register a separate company, distinct from the school board, to market and establish these schools in other countries.<sup>13</sup>

The new proposal allows school divisions to increase their funding through these business opportunities, thus reducing the school division's reliance on provincial funding. About eight school boards have set up companies, including Coquitlam, New Westminster, Langley, Abbotsford, Nanaimo-Ladysmith, Gulf Islands, Victoria and Vancouver. Many other school boards are in the process of incorporating similar companies.<sup>14</sup>

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<sup>9</sup> Manitoba Education & Training, *High Schools in Manitoba* <http://www.gov.mb.ca/educate/sim/english/pages/hs.html>

<sup>10</sup> International Education Branch, *The Report on International Students in Manitoba 2000/01*

<sup>11</sup> Ibid.

<sup>12</sup> Darcy Rollins, International Education Branch, telephone conversation, April 2, 2004.

<sup>13</sup> Bill 34, *School Amendment Act*, 2002.

<sup>14</sup> "School districts create companies to raise cash." *The Province*, December 10, 2003.

## Conclusion

A redefinition of public education and its purpose is underway. Input and participation by all major stakeholders and citizens can ensure that Canada's public education system obtains the maximum possible benefit from the knowledge economy. Canada is not alone in this endeavor, and we could profit from lessons learned from other countries that have already undertaken similar initiatives. The importance of a strong support base or framework for international programs cannot be underestimated. It will be a crucial element in attracting, retaining and marketing Canadian educational programs and services to other countries in the world.

Manitoba's public education system is facing various measures to renew itself and meet the financial and systemic challenges that it will inevitably face in the near future. Manitoba needs to look outside its borders, to participate as a partner in the global education of students and thereby find alternative funding sources to solve its current problems.



### About the Author:

**Ardith Plant** has worked in the education and non-profit sectors for many years. After graduating with her Bachelor of Arts degree in Administrative Studies and Economics from the University of Winnipeg, she worked for the provincial government, Health Sciences Centre and other non-profit organizations. She has continued consulting with these groups and has also completed her Masters of Public Administration degree from the University of Manitoba. Other activities include serving as a guest lecturer in the course, "Introduction to Public Administration" and participating on a variety of committees and boards.

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