



## **Canadian Offshore Schools in China**

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**List of abbreviations**

BC	British Columbia
CFCS	Chinese-foreign cooperatively-run schools
ESL	English-as-a-Second-Language
GATS	General Agreement on Trade in Services
ISA	BC Independent School Act
MoE	Chinese Ministry of Education
WTO	World Trade Organization

## Summary

Since the mid-1980s China has opened up its education system to non-public institutions. So-called “social forces” can own and operate schools and universities on a non-profit basis. China has also permitted, in fact encouraged, the establishment of foreign schools which is mainly due to the great demand from parents for quality schooling and their willingness to pay for their children’s education.

‘Offshore schools’ share some characteristics with ‘international schools’ but are distinct in several aspects, especially the composition of the student body (Chinese, rather than expatriate students), ownership (proprietary, not non-profit), and with respect to their curriculum (foreign but with some mandatory subjects taught in Mandarin by Chinese teachers, not just Western curriculum and medium of instruction). Offshore schools must be operated by Chinese nationals or with Chinese partners and may not compete with primary and lower secondary schooling. Chinese-foreign cooperation institutions (the official name of offshore schools) must meet a number of requirements, including a prescribed organizational structure, and must be authorized by the competent provincial and municipal Chinese authorities.

In 1995, the province of British Columbia (BC) authorized the establishment of the first offshore school, which used the BC curriculum, learning objectives, teaching materials, as well as employing BC certified teachers and principals. To provide a legal basis, the provincial government amended the law on independent (i.e. non-public) schools. Offshore schools receive no public funding, must be certified and must meet the basic requirements that apply to other independent schools in BC, including recurrent inspections.

There are presently some 800 Chinese-foreign cooperation institutions in China, of which Canadian provinces have certified approximately 80. As of spring 2008, 12 of these are BC-certified independent schools and three others have candidate status preparing for certification. Although the growing number shows that there is a strong demand for such schools, there are a number of critical issues which might have an impact on their viability.

One of these concerns inconsistencies in the Chinese legislative framework governing these schools and the lack of clarity of the regulations as well as their somewhat uneven implementation by the various provincial and local authorities. An example of the inconsistency of the legal framework is that, according to the Education Law of China, all education, including non-public education, must be non-profit, even if there can be little doubt that investors are establishing these schools with the purpose of yielding a return for their investment. This lack of transparency and consistency is creating a climate of uncertainty in which these schools operate.

Other problems include the high turn-over of foreign teaching staff, the lack of regular teaching supervision and continuing professional education, and the lack of organized and regular dialogue between teachers and parents. Although the facilities of the schools may compare well to most Chinese public schools, some of them are sub-standard compared to Canadian public schools. Student fees are very high, not just in comparison with public schools but also relative to average income levels. As there are no scholarships for disadvantaged students; only students from well-to-do parents can afford to enrol.

Many of the foreign schools are hybrids in the sense that they offer a foreign curriculum along with the Chinese standard curriculum which permits students to enrol and graduate from both programs. They are, therefore, organizations not only with two different languages and cultures operating under one roof but also with different pedagogies, teacher pay scales and work loads. These differences tend to cause tension among teachers, not least because the linguistic gulf between the two groups makes communication and attempts at mediation difficult.

More fundamental but also more elusive is the difference of educational objectives as defined in the respective education laws of China and BC. Thus, the mission of BC education is to educate young people for a “democratic and pluralist society” whereas the Chinese objectives of education are preparing students for “patriotism, collectivism and socialism.” However, these discrepant educational goals and underlying philosophies might be sufficiently abstract so as not to cause any real conflict, so long as the Chinese authorities see offshore schools as useful and necessary complements to the public school system.

Since the Canadian constitution gives the responsibility for education to the provinces, Canadian offshore schools are sponsored, certified and controlled in different ways. The resulting differences in standards and procedures, positive in terms of variety and choice, become a problem, for example when some schools acquire the reputation of being of low quality. This reputation then affects potentially all Canadian offshore schools.

In spite of these problems, offshore schools in China enjoy considerable success. Demand, which is closely linked to the under-funding and low quality standards of most of the public schools, outstrips supply. Official support for offshore schools is so far unaffected by legal principle or ideological belief; for example that in an egalitarian society access to quality schooling should not be dependent on parents’ wealth.

Offshore schools play a small yet important role in the Chinese government’s policy for increasing participation levels in upper-secondary and tertiary education which is still quite low compared to other countries. In the absence of any major political change of directions, their growth is likely to continue, especially if some of the policies and criteria for their establishment and operation would be clarified and the regulatory framework made more transparent.

## 1. Introduction

Foreign schools are not new to China. In the 19<sup>th</sup> and early 20<sup>th</sup> century many were set up by missionaries in the era of colonialism. With the founding of the People's Republic of China in 1949 the old education system was radically transformed. Consistent with the strong role of the state in communist countries, private schools and tertiary institutions were abolished. This move was also motivated by the government's determination to rid the country of Western influences as well as the strong egalitarian ideal which meant eliminating educational differences due to school type that were related to parents' wealth or social status. More generally, during the years until Mao's death, education was assigned a crucial role in preparing young people for a classless, socialist society. The dominant view was that "schools are important instruments in political and ideological education. The education system should promote social equality and ideological 'redness,' and not reproducing socio-economic inequality and encouraging individualistic goals" (Tsang, 2003, p. 170).

With the economic reforms under Deng Xiaoping after 1978 this role assignment was revised: the primary objective of education was no longer communist indoctrination ('redness') but the development of human resources needed in economic production. The reformers "favor the establishment of key schools and universities for high achieving students, the use of competitive examination for educational selection, and the use of general and vocational schools for socio-economic streaming" (ibid). One of the consequences of this change of principal mission was the Open Door policy that ended the period of isolation and allowed international cooperation and exchange.

Foreign schools made their re-appearance with the new pragmatic reforms under Mao's successors and the new Open Door policy. They are also a result of globalization, a metaphor for movements of goods and services across national or regional boundaries under market rules and largely exempt from government regulation and control. As part of the globalization agenda, the World Trade Organization (WTO) and the General Agreement on Trade in Services (GATS) promote the inclusion of education in the categories of tradable, commoditized services that were, under the regime of the welfare state as well as in communist countries, the exclusive or primary responsibility of the state.

Two types of 'foreign' schools in China can be distinguished: international schools and offshore schools. Although the latter share some characteristics of international schools, offshore schools are different in several respects, in particular concerning students, ownership and governance, and curriculum (Conradi, 2007). While international schools educate 'expatriate' students holding passports from countries other than that of the host country, offshore schools enroll mainly Chinese students, although some schools have also a small number of students with a foreign nationality. Whereas most international schools are operated by non-profit organizations, and Board members are mostly experienced pedagogues, often elected by the students' parents, offshore schools are proprietary businesses with one or several owners who tightly control most aspects of the school's operation. To be sure, offshore schools must also have a small Board of Trustees, but its members are appointed by the owner(s). Finally, curricula are different in

international and offshore schools. The former will teach a Western curriculum and use English (or another non-Chinese language) as the medium of instruction as the objective is to enable the expatriate students to eventually re-integrate in their home country's education system. In contrast, offshore schools in China must offer part of the curriculum in Mandarin, taught by locally certified Chinese teachers. Offshore schools are therefore not an international school in the sense proper but rather a hybrid between an international and a private (minban) school.

Schools are a special type of service and offshore schools are, therefore, tightly regulated. As in other countries, such schools in China are subject to administrative regulations, monitoring, and control. This regulatory framework will be one focus of this report.

Although these schools are allowed to operate in China because of China's membership in the WTO, they are also, like minban schools, part of the government's attempt at modernizing the school system. The former Chinese Vice Premier Li Lanqing, who until 2003 oversaw the opening of the schools system to private education, compared the three types of schools -- public, private and foreign -- to three wheels that together provide balance and stability for the education system:

China's education will only move slowly if it relies solely on a single government "wheel." But adding another "wheel" of private education will propel it forward faster and more effectively. If we are going to meet the popular demand for education we must continue to be more open, change our mindset, and actively encourage the setting up of different kinds of schools. In this way, public schools will continue to be the mainstay, but private schools will develop alongside. ... However, the "two wheels" of public and private education are still inadequate: there is an imbalance as the public one is bigger than the private. We need the balance and stability of a "third wheel", namely education provided through joint Chinese-foreign cooperation. Now that China is a member of the World Trade Organization, this type of education should also be encouraged. In this way, with one big wheel and two small ones, China's education will move ahead more smoothly and quickly (Li, 2004, p.59 and 61).

Although it is hard to see how approximately 800 foreign schools<sup>1</sup> would provide a balance in a quantitative sense – there are more than 700,000 public schools and some 93,000 minban schools – the "third wheel" appears to fill a niche, bringing additional resources to a largely underfinanced public school system and providing choice to parents who can afford it. They

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<sup>1</sup> As of 1995, there were 71 certified Chinese-foreign cooperation institutions and programs. By 2002, the number of certified Chinese-foreign cooperation institutions and programs was 712, distributed over 28 provinces, municipalities and cities (Zhou, 2003). In 2006, the number had grown to over 800 (Tan, 2006). With regard to geographical distribution, the majority of schools and programs are located in the economic and cultural centres, e.g. areas along the East and Southeast coast, in middle-size and large cities. The number of such schools and programs in the top ten include Shanghai (111), Beijing(108), Shandong (78), Jiangsu(61), Liaoning (34), Zhejiang (33), Tianjin (31), Shanxi (29), Guangdong (27), and Hubei (23).

The top ten countries and areas operating offshore schools and programs in China are the US (154), Australia (146), Canada (74), Japan (58), Hong Kong (56), Singapore (46), UK (40), Taiwan (31), France (24), Germany (14) and South Korea (12). Canada, occupying third place on this list, is a major player in exporting education to China ("Chinese-Foreign Cooperative Institutions," 2004).

might also have been set up with the intention to serve as a showcase of innovative and ‘modern’ schooling which public schools are meant to learn from and emulate.

As is the case in China, private (independent or religious) schools have a long tradition in Canada. In contrast, offshore schools, a special form of non-public schools, are relatively new. The first was established on a pilot basis in China (in Liaoning province) in 1995 by a Chinese-Canadian businessman who saw a demand for a school in China blending Chinese and Canadian features. He convinced the provincial Minister of Education of BC that the export to China of BC schools, which use the BC curriculum and employ BC-certified teachers, would also profit the province since education would be a great door opener to the Chinese market for other BC products. Likewise in China, he made the point to the mayor of a large city in a Northeastern province that a Western school would be a strong asset for attracting Western firms to the city. Thus in both countries it was the argument that a Canadian school would enhance international trade that opened the door for the first and later for other schools.

In 1997, two years after the pilot school had started operating, it was inspected and certified as a BC school. A year later, a Memorandum of Understanding was signed by the two provincial governments. In 2003, another Memorandum was signed between the Education Minister of BC and the national Minister of Education. Eleven other BC schools or programs<sup>2</sup> in China have been certified since, and the present number of Canadian offshore schools is well over 80.

This study’s focus is on Canadian offshore schools in China. Three broad questions are addressed: What is the rationale of offshore schools from a Chinese and a Canadian perspective? How are these schools certified and regulated? And how viable are these schools in the longer-term? In the first part, the regulatory framework for offshore schools, first in China, and then in Canada is described – or rather since under the Canadian constitution all education matters falls into the responsibility of the provinces - in one Canadian province, BC. After an overview of the main features of three BC offshore schools, a number of issues are discussed which concern the viability and the impact of these schools. In conclusion, some implications for policy and research are suggested.

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<sup>2</sup> As an alternative to setting up a whole new offshore school, a BC upper secondary program can be set up within a Chinese school. In this case, students having completed Grade 9 of the Chinese school have the option of continuing grades 10-12 in the BC program, staying with the Chinese upper secondary program or pursuing both in parallel.

## 2. Offshore schools: the regulatory framework

Offshore schools are hybrids: on the one hand they are non-public schools located in China and teaching Chinese students, on the other they are Canadian independent schools, sponsored by one of the Canadian provinces. Therefore, they fall in the responsibility of two jurisdictions and must comply with rules and regulations of both. The two frameworks of rules and regulations are described in the following paragraphs.

### China

Offshore schools and programs were allowed in principle to operate in China with the adoption in 1978 of an Open Door policy and of the signing of the WTO convention some years later. In 1995, the Chinese Educational Commission issued a set of rules called 'Provisional Regulations on Chinese-Foreign Cooperation in Running Schools' which permitted the operation of Chinese schools in cooperation with foreign organizations or individuals and provided the legal basis for such cooperative ventures. Eight years later, in 2003, the State Council promulgated the final Regulations on Chinese-Foreign Cooperation in Running Schools, which specified some of the 1995 provisions, emphasized China's interest in foreign schools in China, and raising the status of these schools (Zhou, 2003).

The 2003 Regulations confirm that Chinese-foreign cooperatively-run schools (from here on abbreviated as CFCS) are "beneficial to public interest" and that their establishment "forms a component of China's educational cause." These schools – which cannot offer compulsory schooling (that is, grades 1 to 9) – "shall enjoy preferential policies ... and enjoy autonomy when conducting their activities" (Art. 4). They "[shall] abide by the laws of China, implement China's educational policies, comply with Chinese public ethics, and shall not jeopardize China's sovereignty, security and public interest" (Art. 5). Missionary or religious schools, which were abolished after 1949, remain banned (Art. 7).

The regulations concerning application and licensing procedures (Art. 9–20) are quite detailed, specifying the various documents and other evidence to be submitted to the province in which the school is to be located<sup>3</sup>. The regulations also describe in some detail the organizational and administrative requirements that offshore schools must meet. They specify the procedures and responsibilities of the Board of Trustees or Directors that each school must set up, as well as the responsibilities of the principal administrator of the school (or headmaster in Western terminology).

The regulations specify that CFCS must offer courses on the Chinese constitution, laws, ethical responsibilities of citizens, and basic facts about China. The schools must further "introduce internationally advanced courses and teaching materials that are urgently needed in China" (Art. 30). The schools are required to use the Chinese language as the basic teaching language, although they may, "if necessary", use foreign languages in teaching (Art. 31).

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<sup>3</sup> Or to the National Ministry of Education respectively in the case of four large municipalities that come directly under the responsibility of the national government: Beijing, Shanghai, Tianjin and Chongqing.

The Education Law of 1995 permitted, indeed encouraged, non-public schools. However, the law explicitly provided that such schools be non-profit: “Organizations or individuals may not establish schools or other educational institutions for the purpose of making profit” (Art. 25 sec. 3). This principle has been modified with regard to CFCS: “All fees collected by the Chinese-Foreign cooperation in Running Schools shall be *mainly* used for educational and teaching activities and for improving the conditions of school operations” [emphasis added] (Art. 39 Regulations). With this qualification, offshore schools are in fact allowed to make a profit, although the term is not used as ‘profits’ would violate Section 25 of the Education Law. If the offshore schools do intend to earn “reasonable rewards” (in Western terminology, profits which are, however, controlled) this has consequences for their tax status. When schools apply for accreditation with the Chinese authorities, they must state whether they intend to book “reasonable rewards” in which case they need to publicize their school budgets and finances. The tax system is also different for these two groups. Schools not intending to generate reasonable rewards usually do not pay tax, while the others are taxed.

China’s Open Door policy added two new types of schools to the public schools system, the minban and the CFCS. While minbans have rapidly grown in number and increased the capacity of the system, so far the growth of CFCS has been much more modest. Yet its main significance is probably not the numbers of new places but the “advanced pedagogy and teaching materials” that are brought in from abroad. That this “third wheel” means the introduction of for-profit schools does not seem to have been a problem as long as this policy attracts investors and their profits are “reasonable.”

## Canada

Canada’s provinces have sole responsibility for education and therefore the regulations and practice of certifying offshore schools vary widely. They are exemplified here by those of the province of BC.

The request from a Chinese businessman for BC to sponsor a school in China, mentioned above, which meant ‘exporting’ the BC curriculum and teachers to another country, led to the development of a specific *BC Offshore School Certification Program*, based on the model for certification and periodic inspection of independent schools by the Ministry of Education. Offshore schools receive no funding from the province. They must provide a program that meets the learning outcomes of the BC curriculum and complies with other requirements for BC schools such as the instructional time and the evaluation program of student progress and of provincial assessment and examinations. Principals and all teachers teaching in the BC program must be BC certified.

Out of the total 80 credits required, 60 must be BC courses, delivered in English by BC-certified teachers. Four credits each are given for a course in Mandarin on Chinese culture and on Chinese history. Physical Education and Fine Arts can be taught by local teachers, but supervision must be provided by a BC teacher. In contrast, the province of Ontario requires only four Ontario courses, taught in English, while all others can be taught in Mandarin by Chinese teachers.

Schools must be represented by a BC agent who must be a certified teacher and thus familiar with the BC school system. This agent, who is appointed by the BC Ministry of Education, is the liaison between the Ministry and the owner and facilitates not only communication but also helps

with assuring that the schools comply with the legal and administrative requirements. This is sometimes a difficult position, for example when the BC agent agrees to a request by the Inspector's office concerning the schools but the school owner is not willing to comply.

BC offshore schools must undergo an initial external evaluation, and thereafter an external evaluation at least once every two years, and be inspected at least once every year. Inspections and evaluations follow the same rules as for other independent schools. The costs for inspections and evaluations must be borne by the schools. Prospective offshore schools pay C\$2,500 to the BC Ministry as an application fee and another C\$3,500 for certification. In addition, they pay a one-time fee of C\$350 per student to the BC Office of Inspector of Independent Schools for record-keeping and examination distribution, as well as C\$50 for each additional Grade 12 examination written in addition to English and C\$200 per Grade 12 Provincial Exam (including the cost of marking). The schools also pay for the full direct cost of inspection (airfare, accommodation, meals, and professional fees for the inspecting team).

BC schools are not stand-alone schools but operate under the same roof, often literally, with a Chinese school under a Chinese principal, using the Chinese language, curriculum and text books. Students can do both programs in parallel and graduate, if they meet the respective requirements and pass their exams in both programs, with two high school certificates. However, students may also choose to discontinue the Chinese program and participate in just the BC program. Because it is almost impossible for students to participate in both full programs in parallel, agreements have been struck between the education ministries of BC and of the respective Chinese provincial authorities concerning the equivalency of certain subjects. So for example in the province in which S-1 is located, BC courses in mathematics, physics and chemistry are accepted by Chinese schools as equivalent which means the student has to take these subjects only once. However, students who want to graduate from both programs, must still take classes (and pass exams) in Chinese politics, history and geography.

Not all Canadian provinces that certify offshore schools use the same regulatory process as BC. In the case of Ontario, which has certified approximately 25 offshore schools in China, once these schools are certified, they are no longer inspected and evaluated by the Ontario government. Also, the Ontario-certified principals can, at their own discretion, grant equivalency credits for courses taught in Mandarin so that not all courses are taught in English and according to the Ontario curriculum. Other provinces that sponsor offshore schools in China, for example Nova Scotia, New Brunswick, and Saskatchewan<sup>4</sup> are in the middle of the spectrum: inspections are not as stringent as required by BC, but their Ministries of Education oversee activities of the schools more closely than does Ontario. The procedure in Alberta which has also recently started an offshore program, is similar to the BC regulations.

In summary, the regulatory framework in Canada for off-shore schools varies, as in China, from province to province. Unlike China, however, there is no Canadian national law that specifies the essential rules under which offshore schools can be set up and operated -- a consequence of the Canadian constitution which makes education the sole responsibility of the provinces.

### **3. BC schools in China: Evidence from the case studies**

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<sup>4</sup> For a list of Canadian offshore schools see International Quality Education (IQE), <http://www.iqe.com.hk/iqe/interschools.htm>.

The following section is a brief summary of the evidence gathered from the case studies and interviews which illustrate the situation of the BC offshore schools.

### **The schools**

Case studies were conducted at two upper secondary BC schools and one Grade 10-12 program that is embedded in a Chinese public school. Both BC schools offer a dual curriculum: a BC upper secondary school curriculum leading to the BC diploma, and a Chinese high school graduation diploma program. In order to graduate and receive the BC diploma, students must complete the required total of 80 credits during the three-year program. As for the additional requirements of the Chinese high school diploma, the schools offer courses in Mandarin and Chinese culture, Chinese history, and Chinese geography. In addition, they also offer a program of English as a Second Language (ESL).

While two of these institutions were set up fairly recently, the third -- S1 --has operated for more than ten years. Of the three it is the largest school belonging to a growing private educational enterprise in China, owned by the same investor and using the same generic brand name<sup>5</sup>. When the school opened in one of the North-eastern provinces, there were 14 Grade 10 students. Now, the school has about 1,700 students, in Grades 10–12 as well as 600 ESL students. Although Chinese students form the majority, there are 150 international students, mainly from Korea.

S-2, occupying the premises of a former theme park at an hour's driving distance from a metropolitan area, was established in 2003. After a rocky start, the school had close to 700 students in fall 2007, most of them from the near-by metropolis, but some from other parts of China as well as several foreign countries (mainly the United States and Korea). The owner's target is an enrolment of 2,000 students or more.

The school is closely linked to, and an essential part of, another business: real estate. The owner bought the large premise with the plan to develop part of it as a resort and upscale housing. An apartment hotel has already been built at the nearby lakeshore and the ground for several hundred luxury condos was being developed at the time of the team's site visit. This 'education plus real estate' model is not unusual (see for example Yan & Lin. 2003 p.55/6) and seems to be commercially successful as the school attracts well-to-do parents and grandparents who may spend their vacations at the resort or buy property close to the school of their children or grandchildren.

S-3 is the BC upper-secondary program attached to a large public key school in the centre of a large metropolis. It started operations in February 2005 enrolling 150 full time students and employing 15 teachers. The school's target is to enrol more 100 students each year and increase teaching staff by another 20 to 30. The owner has also plans for a second school, likewise attached to another public key school. The school's BC agent is a district principal of a large school district in BC's lower mainland and the director of the district's international education program. This seems a good fit since students of S-3 can take ESL summer courses for academic credit from this international program.

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<sup>5</sup> As of 2007, this enterprise consists of a Pre-school, a Primary School, a Middle School, three High Schools, a Foreign National School, and a Post-secondary Technology program.

In summary, the three schools represent three different models: (1) the pioneer, multi-school, brand-name education enterprise; (2) the 'real-estate plus education' formula; and (3) the attachment to a key public school offering an alternative or cumulative Western upper-secondary program. The first model seem very successful because of a visible pioneering role and very clever management, for example hiring as a board member the former BC Inspector of independent schools who is intimately familiar with the BC independent school system and the inspection process. The second model is not as successful since S-2 has not the same reputation (yet) as the former and therefore greater difficulties of attracting students. The third model, although quite recent, seems to be promising as the public key school with which it is associated serves as a feeder school and has therefore few problems of recruiting students.

In contrast, student recruitment is crucial for S-1 and S-2, and there is growing competition from other non-public schools, especially in the big cities and metropolitan areas. Also, fees are high and many Chinese parents, even if they are ready to spend their money on buying their children a space in a key school, are unfamiliar with foreign education and therefore often unsure of its benefits.

## **Students**

Since Chinese students are not native English speakers, their learning ability varies widely. In fact, acquiring a command of English sufficient to follow classes and succeed in tests, is a great challenge for many, and all schools make extra efforts to help them improve their English proficiency. Some students spend their summer holidays abroad taking intensive language courses. In BC, some school districts have set up such special summer language programs for which students receive credit at their schools back in China.

Students in BC offshore schools are required to write the same Grade 10-12 provincial exams as students in BC and they graduate with the same high school diploma as resident students in BC. In addition, students who complete the requisite Chinese courses also graduate with a Chinese high school diploma. As completion of the two parallel programs is very demanding, not many succeed. Most students concentrate on the BC program and eventually drop out of the Chinese program (except for Mandarin courses which are mandatory throughout), with the consequence that they do not qualify for a Chinese high school diploma - nor do they have the a chance to be accepted into one of the better Chinese universities.

Successful students in the BC schools graduate with a BC high school graduation certificate. This means that they can apply for admission to Western universities without being required to take language tests such as the TOEFL (Test of English as a Foreign Language). As a consequence, most graduates go on to Canadian (and other Western) universities and some of the Canadian universities have started considering these offshore schools as feeder schools for their undergraduate programs.

## **Principals and teachers**

BC offshore schools have their own principal, who is, according to BC law, responsible for the BC program, including the hiring of teachers, administration of the curriculum and the overseeing of all educational activities. The schools also have a Chinese principal who is, according to Chinese law, the overall Head of School, being responsible for the school's

relationship with the Chinese authorities and for its entire operation. BC principals are therefore *de lege* deputy principals even if they are *de facto* autonomous with regard to the BC school.

All principals of the case study schools are retired principals and therefore familiar with running a Canadian school. For reasons unexplained in the interviews, S-1 had a high turnover rate of principals which is probably due to a strong and hands-on control and micro-management by the owner and chairman of the Board as well as the strong position of the former BC Inspector. S-2, in contrast, has kept the same principal for five years. He is unique among the principals of the case study schools as he is very familiar with China and Chinese culture as he was born and raised in Southeast Asia.

Like principals, teachers must be BC-certified. Many teachers are very young, coming straight out of teacher training programs, while others are retired, having worked in the BC school system (or that of another province). Schools are free to set salary levels at their discretion, yet in order to attract competent teachers and principals to China, schools pay on a scale roughly comparable to what new teachers are paid in Canada. Starting salaries are around \$42,000 per annum which is roughly eight times the amount a Chinese teacher is paid. Maximum class size and teacher workload is the same as in BC (about 25 contact hours per week).

Nonetheless, many of the young teachers stay only for a year or two, and teacher turnover is therefore relatively high. The reasons for this vary but among them are the lack of longer-term career perspectives as well as a feeling of isolation, not only because of the separation from the friends and family at home but also because there is no or little contact with colleagues from other schools, both Chinese and Westerners. The high turnover rate of teachers is a problem for the schools as there is a lack of continuity and longer-term experience that could be shared with new teachers.

### **Investors/ Owners**

Offshore schools are proprietary schools. Even if S-3 is a BC program grafted on to public key school, the BC program is owned by and operated under the direction of the owners<sup>6</sup>.

All of the owners are Chinese nationals, but all of them have spent some time in Canada (two have acquired Canadian citizenship) and can therefore be presumed to be somewhat familiar with the Canadian school system. None of the owners, however, has a professional educational background as a teacher or school administrator. All of them have made their money in other industries such as textiles and real estate and are now investing their money in education in order to make a profit, or “reasonable rewards” in the Chinese terminology, even if they claim to have, at the same time, a second, more idealistic motive of bringing modern and quality schooling to their motherland.

All owners have close political connections both with officials at various levels of government and high ranking party officials. Given the opaque and sometimes inconsistent procedures and the multitude of levels of decision-making, such contacts are most useful, if not required as the decision to certify an offshore school in China is almost certainly not just a normal

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<sup>6</sup> It is this feature that distinguishes offshore schools from the great majority of ‘private schools’ in the West where profit was not the motive to set up private schools (see Kwong, 1997).

administrative decision but involves approval and support on the political and higher administrative levels. This lack of social capital appears to put foreign investors, although they are legally entitled to set up schools in China as long as they have a Chinese partner, at a definite disadvantage - unless the Chinese partner is well-connected<sup>7</sup>.

### **Student fees and associated costs**

Student fees vary among offshore schools. For the three case study schools, they were between \$5,000 and \$7,000<sup>8</sup> per school year including boarding in the Chinese students' dormitory, and between \$8,000 and \$11,000 for international students. Students also pay for their uniforms, textbooks, copying, use of phone and Internet. In total, this amounts to \$12,000-\$15,000 per annum, or \$36,000-\$45,000 for the three years required for the completion of an upper secondary program<sup>9</sup>. This is very expensive, when compared to fees in key public schools and when put into relation with China's annual Gross National Income per capita of \$1,740 (in comparison \$32,590 for Canada)<sup>10</sup>.

None of the three case study schools or programs offers to waive fees or give scholarships in order to give access to bright but disadvantaged students. It is therefore not surprising that all students come from business and professional class families who can afford the tuition. Offshore schools are therefore accessible only for the children from well-to-do parents thus necessarily emphasizing and exacerbating income-based disparities.

## **4. Critical issues**

In this section, we discuss five issues which show some of the problems of offshore schools as well as some possible fault lines that may influence the long-term viability of the schools. They concern the way the schools are governed, the issue of quality and quality control, the connection between the public school system and demand, and the difference of objectives between Canadian or Western and Chinese education. Finally, the question of costs and benefits in a larger sense will be briefly addressed.

### **Authority and Control**

Offshore schools are governed by a Board of Directors or Trustees that is responsible for school policy and all basic operational and financial decisions. This Board, which must have at least five members, the majority of whom must be Chinese nationals (Art. 21, CFCS Regulations),

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<sup>7</sup> An interesting question (that the present project did not address) concerns therefore the chances of Canadian investors to set up offshore schools in China. One of our respondents, asked about the chances of BC School District enterprises to establish viable offshore schools in China, was sceptical as foreign businesses have a number of problems compared to Chinese investors, especially the lack of personal connections, and the time it takes to build such connections and trust with government officers and party officials.

<sup>8</sup> Prices are in US\$.

<sup>9</sup> The cost can be higher if students need additional time and ESL courses because of poor language skills. Also, ESL courses abroad, like those offered in BC, are not included in this estimate.

<sup>10</sup> Although very high by Chinese standards, these fees are not exorbitant when compared to those of international schools in Shanghai, many of which are in the \$15,000-\$18,000-a-year range (Yamoto and Bray, 2006).

appoints or dismisses the headmaster, draws up development plans and approves annual work plans, makes all decisions with financial implications, and establishes the number and salary of the staff (Art. 24).

In the three case study institutions, the Chinese (co-)owners either constitute or control the Board's majority and appoint the remaining members (several of them family members) at their discretion. Owners have therefore almost absolute control over the schools and are free to make decisions according to their business interests<sup>11</sup>. The result is the tendency, quite consistent with accepted business logic, to maximize returns and cut costs wherever this can be done without endangering the certification by both the Chinese and Canadian authorities. On the other hand, owners have a vital interest in attracting students (as well as teachers) which requires certain standards of school premises and equipment although these often do not compare with those of Canadian public schools.

According to the law, headmasters of an offshore school must be a national of China and have his or her "domicile in the territory of China." Moreover, they must "love the motherland, possess moral integrity, and have work experience in the field of education and teaching as well as compatible expertise" (Art. 25). The headmaster is responsible for all aspects of running the school, including implementation of the school's development plan, "employing and dismissing the staff, and executing rewards and punishments, organizing teaching and scientific research activities and ensuring teaching quality" (Art. 26). Although the headmaster is selected and appointed by the Board of Directors, his appointment is subject to approval by the provincial Minister of Education (Art.25 sec 2).

The Chinese headmaster is also a member of the Board of Directors (Art 22), a position from which he is able to inform as well as influence other board members with regard to the decisions that need to be taken (the BC headmaster could be appointed as a member of the Board yet this was not the case in any of the case study schools).

This central position that the law accords to the Chinese headmaster does not seem to correspond with the reality of the case study schools. According to BC law, it is the BC headmaster (who according to Chinese law is the deputy principal) who is solely responsible for the administration of the BC curriculum and the selection and hiring of BC teachers. However, the Canadian principal needs the approval of the Board of all decisions with financial implications – for example the number and the salary scale of BC teachers and the number of English books in the library. As an ex-officio member of the board, however, the Chinese principal's influence is greater than that of the BC headmaster as he has a vote in all important matters.

Although this split authority makes sense in some respect, it is also a possible source of tension. Since Canadian teachers earn six to eight times as much as Chinese teachers, it can be presumed that there is also a significant pay differential between Chinese and the BC headmasters, with the deputy earning a considerably higher salary than the principal. There are other possible sources of irritation besides salary, such as differences in teaching loads (which are higher for BC teachers) and administrative and supervising tasks (which are higher for the Chinese teachers).

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<sup>11</sup> An exception was the Board of one of the schools (S-2) where a hostile takeover attempt by one of the Board members was leading to temporary difficulties and disruption at the school which resulted in a formal investigation by the local Board of Education and a court settlement. The hostile investor was bought out and the Board is now firmly under the control of the (former majority and now sole) owner.

Since the two principals often do not have a common medium of direct communication – in our case studies, none of the Chinese principals spoke English, and none of the BC counterparts spoke Mandarin – there is a linguistic gulf which exacerbates the chance of misunderstandings and tensions between the two parts of the schools.

Such tensions and conflicts within offshore schools between BC and Chinese teachers and principals seem to be typical examples of different organizational cultures being brought together under the same roof. It is unlikely that a typical BC principal in such a situation – unfamiliar with Chinese culture, traditions and customs as well as illiterate in Mandarin<sup>12</sup> – can provide leadership that might contribute to building a new common culture. Neither can this role be assumed by a Chinese principal, who is unfamiliar with Western (school) culture and the English language and whose main attributes are – in addition to professional experience – high moral authority and love of motherland – certainly important attributes but less useful with respect to intercultural communication and leadership. It should not be surprising that, in such a configuration, the two elements form two cultural solitudes, and consequently, in spite of his or her legal status, a school's Chinese principal cannot assume the leadership function for the entire school.

Judging from the case study evidence, it seems that it is the owners – all of whom have lived in Canada for a number of years and some of whom are actively involved in running the schools – understand the two cultures better than most of the school staff. Bridging cultural divides and creating more cohesive multicultural schools is not easy, however, and the fact that these schools are primarily investment projects intended to yield a return might be an obstacle to such bridging measures. For example, making pay scales between BC and Chinese teachers more compatible, organizing joint continuing professional education programs including intensive language courses, and investing in infrastructure and activities conducive to intercultural dialogue and exchange among the staff would cost additional money and thereby reduce returns on investment and the overall profit margin.

### Quality

As pointed out above, importing “high quality foreign educational resources” (Art 3 CFCS Reg.) is the main objective in allowing offshore schools in China. Through their own certification process provincial and local Chinese authorities make sure that a proposed school meets legal, safety and administrative requirements. They also check quality standards, mostly through ensuring that teachers are certified by the government of the foreign jurisdiction which is sponsoring the school. The degree of thoroughness concerning quality issues seems to vary somewhat from province to province. For example, in the province in which S-1 is located reviews normally take place before certification but not thereafter, while the local Board of Education for S-2 has inspected the school recurrently, even if not on a regular basis.

In contrast to Chinese procedures and also those of some other Canadian jurisdictions, such as Ontario, the province of BC requires ongoing inspections after the initial certification. The practice is similar to inspections of independent schools located in BC, which must be inspected

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<sup>12</sup> One principal, even if he does not speak Mandarin fluently, is an exception. Having been raised in South East Asia, he seems to have a good understanding of the situation and mentality of Chinese teachers, students and parents.

every two years and undergo an external evaluation every six years. However, offshore schools are inspected every year and undergo an external evaluation at least once every two years.

During their visits, BC evaluation teams review teaching certificates and criminal record of teachers, student records including student assessments, copies of school audits and current budgets, teacher course outlines, as well as building occupancy permits. They sometimes visit class sessions, more on a casual drop-in basis rather than as formal teaching assessments. Upon the completion of the visit, they write a report, including the shortcomings that need to be addressed by the school before the next evaluation.

The quality of education is a central selling point in the schools' promotional materials. Although government officials and inspectors will look into possible discrepancies between advertisement and reality, "truth in advertising" is sometimes a problem. This leaves inexperienced and naïve parents sometimes "at the mercy of dishonest entrepreneurs who often offer more than they can deliver, promising programs and diplomas they are not qualified or prepared to give" (Kwon 1997, p. 258).

The most important indicator of a successful school is the number of graduates who are accepted into Canadian or other overseas universities. Offshore schools therefore advertise the ratio of graduates that have been accepted by overseas universities and colleges. Other, less quantitative elements of "quality" are more elusive. The high turnover of teaching staff in BC schools, even if partly compensated by youthful enthusiasm and the energy of young teachers fresh out teacher training, is clearly a problem. So is the lack of counsellors as well as regular continuing professional education activities.

Another example is the decision by at least one of the schools to have ESL classes taught by local staff rather than by more expensive BC teachers. Likewise and, for similar economic reasons, some schools are using news magazines rather than the more expensive BC ESL books. In the BC public school system, the library is the centre of learning resources and independent learning but in one of the schools under review, the school library, is under-resourced and understaffed, and one school had no library of its own at all. The principals admitted that this had to do with costs but suggested that students have access to the Internet which at least in part could be used to access English language texts and other materials. Furthermore, two schools have no indoor sport facilities.

However, the lack of adequate equipment and facilities might not be seen as much of a quality problem when compared to most Chinese public schools where standards are generally significantly lower. Even if the assessment of ten years ago that physical facilities in China are "simple and backward" and parents' "expectations are low" may be no longer accurate with regard at least to schools in the urban areas, Kwong's observation (1997 p. 250) is still correct that "what constitutes adequate educational facilities is a matter of subjective definition." With this qualification, it is fair to state that compared with public schools in BC, the facilities of many off-shore schools would probably not be seen as being of "high quality."

Another quality issue concerns the lack of active involvement of parents in school affairs, who provide feedback to teachers and management and who are able to discuss such problems as student learning problems and discipline. Although there are individual contacts between BC teachers and Chinese parents, there are no standing parent-teacher committees or regular

meetings of parents and BC teachers. This is not only due to linguistic difficulties with communication but also to a different school culture where parental influence and cooperation is less of a tradition than in Canadian schools. The problem is exacerbated by the fact that most students (in S-1 and S-2) are boarders whose parents are living at some distance from the school.

One motive behind opening China up to offshore schools was sometimes emphasized in the interviews, namely the expectation that dual language instruction and the introduction of students to critical thinking would have an effect on other schools, thus helping to improve education standards in China. However, according to discussions with the respondents of the offshore schools, not much of this spill-over effect seems to be taking place, at least not in a systematic and large-scale fashion.

### **Demand, choice and equity**

The reform policies since 1978 have triggered fast economic development and growth. They have not only contributed to substantial economic but also to educational disparities. Quality differences in the public schools system are large, both between schools in the rural areas and the cities (Tang & Wu, 2000), and between regular and 'key' public schools. Thus, for example, public expenditure for schools in urban areas in 2002 and 2003 was nearly twofold higher than in rural areas (Zhao, 2007). As the gap in economic development is rapidly growing between the east and the west of the country, poorer counties can hardly maintain the existing minimum education, even with special funding that is earmarked for poor rural regions (The World Bank, 2005 p. 49). Key schools have more resources than regular schools and hence better teachers and facilities whereas regular schools are under-resourced and therefore the quality of education is lower<sup>13</sup>. At the same time, enrolment rates in secondary education have gone up steeply so that there are now many more students in the school system than there were only a few years ago, a result of the reform of 1986 which introduced nine-year compulsory education.

Education has traditionally held a high cultural value in China and demand for quality education is strong. As a result of the economic reforms, average family income has risen and more parents can afford to pay high fees for key, minban or offshore schools. The willingness to pay for their children's education is intensified by the one-child policy which makes the only child more precious and the sole focus of parental love, attention and expectations.

Competition for good schools is intense and starts early in life. Good grades are the prerequisite for being admitted to key schools (and later good tertiary institutions). Because there are now alternatives to public schools, parents have a choice and can opt, if they can afford the fees, for a minban or offshore school. Opting for a non-public school, parents can send their children from lower to higher quality schools avoiding the fierce competition for the place in a key school.

Sending their sons or daughters to overseas universities or colleges appears to be a major motivation of parents enrolling their children in offshore schools. Acquiring a 'Western' education is seen by middle class families as the 'ultimate symbolic capital,' and not only multinational corporations but also many other employers in China and Southeast Asia have an overt preference for graduates with credentials from an overseas post-secondary education institution (Waters 2006, 1046-47). As China makes progress in realizing its economic potential, the

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<sup>13</sup> Educational expenditure in China in relation to GDP was 3.1% in 2001, compared to 6.7% in Canada.

country will need more professional staff trained in Western universities, conversant in English, and familiar with Western customs, institutions and markets.

There exists therefore a strong correlation between the under-resourced, low-quality public schools, the competition for a place in a key school, and the demand for minban and offshore schools (Yan & Lin, 2003). While minban and offshore schools are thus providing a safety valve for a system under great pressure, they do so by opening a back door to higher quality schools for students who are normally not competitive enough to qualify for admittance to a key school but whose parents are able to pay for their children's education (Vickers, 2007).

Evidence from the case studies seems to corroborate this point as some offshore schools are concerned about the low quality of many of their students, their poor English language skills, and their lack of motivation and hard work. An exception was S-3 whose principal is impressed with the quality of his students – not surprising since they come from a key public school (of which S-3 is a part).

None of the Chinese government officials interviewed seemed much concerned about the consequences for equity and social cohesion of Chinese society. Because of the scarcity of funding for the public school system, the strong demand for alternatives to public schools and parents' willingness to pay for the full costs of the education of their children is welcomed. As there is little chance in the near future of significantly increasing public funding for education, relying on more private funding is seen as the only viable alternative of offering quality schooling for a larger segment of the population.

### **Ideological fault lines**

Besides the in-built cultural tension within the schools already mentioned, there is an ideological rift which runs potentially deeper. This concerns different philosophies of society and individualism – and the role education plays in preparing young people for life. Art. 11 of the CFCS Regulations refers explicitly to the basic requirements prescribed by the Education Law. This law, among other points, stipulates that education is to focus on the doctrines of Marxism-Leninism, Mao's thoughts, and the foundation of constructing socialist modernization (Art 3 Education Law). In contrast, "the purpose of the British Columbia school system is to enable all learners to become literate, to develop their individual potential and to acquire the knowledge, skills and attitudes needed to contribute to a healthy, democratic and pluralistic society and a prosperous and sustainable economy" (Preamble to the BC School Act). Even if, in spite of the labels, literacy and the development of individual potential may be common objectives of schooling in China and in Canada, it seems obvious that education for "patriotism, collectivism and socialism" (Art. 6 Chinese Education Law) is different from the goal "to develop the ability of students to analyze critically, reason and think independently" (BC Statement of Education Policy).

This difference in the function attributed to education is reflected in the way teaching is conceived and practised differently in Chinese and Western schools. There is evidence from the case studies that some Chinese teachers are concerned about, or suspicious of the non- or even anti-authoritarian manner in which Canadian teachers engage their students in and out of class. This seems to be at odds with the dominant model of teaching in Chinese schools that is mainly text-based, subject-oriented, and teacher-centred (Cleverly, 1991; Paine, 2004).

More important probably than the style of teaching are its objectives and consequences. In her study on modernization and teaching in Chinese schools, Paine (1992) pointed out:

The problem is this: If teaching is to encourage questioning, intellectual independence, and creativity, how can one set boundaries for its consequences? Reforming the teaching – learning relationship potentially calls into question notions of orthodoxy and authority. The pattern of official Chinese reaction to student protests (such as 196/87) and the crackdown of 1989 indicates that a revision of authority relations is considered threatening. Education is to support modernization, but not at the cost of social disorder (p.204).

While this discrepancy of the objectives of education may be sufficiently abstract as to not cause any real conflict, there is a more evident and potentially conflicting issue. This concerns the political sensibilities of Chinese authorities with respect to issues such as the interpretation of certain events in recent history (for example, Tiananmen Square and Tibet) or the legacy of certain historical leaders. These historical events and figures and their interpretation qualify as “basic facts about China” which must be taught “in accordance with the requirements by China for educational institutions of the same type at the same level” (Art. 30 of the CFCS Regulations), i.e. in accordance with the official version in Chinese school books.

Asked about pressures to avoid raising certain sensitive issues in the classrooms, respondents of our case studies were adamant that BC teachers were free to teach these subjects exactly as they would in BC. However, the press in BC recently reported that a certified BC school had instructed its BC teachers not to mention controversial topics and to feign ignorance if students asked questions about them (“Teachers from BC Muzzled in China”, 2007). According to this report, the section of the teacher handbook of this school, entitled “Political Sensitivity in China,” indicated that the Chinese government intended to apply “more strict ideological scrutiny over the textbooks and instruction” in offshore schools.

While comparable written instructions may not exist in other Canadian offshore schools, the incident points to a dilemma for the Chinese government: On the one hand, the country needs more external resources for building a more efficient modern education system, but, on the other, it is aware that young Chinese in offshore schools are exposed to controversial political issues as well as to facts and interpretations which may run counter to the official version in Chinese school books. At the same time, the above-mentioned instruction for teachers to avoid controversial issues seems clearly contrary to the stated objectives of education which were mentioned above<sup>14</sup>.

A recent official document (Chinese Ministry of Education, 2006) suggests that the Chinese government is concerned about “new circumstances and new problems [that have] occurred in the development of CFCS.” After addressing problems of quality and fee levels, the Ministry issued a stern warning: “We shall enhance political sensitivity and build up the consciousness of educational sovereignty firmly, so as to maintain national security, social stability, and normal educational order.” In the same document, the Ministry announced that “We shall study and make a guidance catalogue of subjects and specialties which are encouraged, allowed, restricted,

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<sup>14</sup> This seems fairly obvious in light of the above cited official policy on educational objectives (“to develop the ability of students to analyze critically, reason and think independently”) -- even if the responsible BC Minister at the time did not seem to think so. In the cited article, the Minister was quoted as stating that the BC curriculum was not affected by these teacher instructions as the controversial topics in question ‘are not among the prescribed learning outcomes for students.’

and prohibited by the state.” While it is not entirely clear whether this catalogue of subjects applies to all offshore institutions in China (the document’s main focus is on higher education), the document shows that the government is willing to exercise more actively its right to control educational curricula as to their compatibility with the objectives of the Education Law of China.

If indeed such a catalogue of teachable subjects is drafted it remains to be seen in which ways it might affect the curriculum of offshore schools. At this point, the Ministry’s announcement can probably be interpreted as no more than a warning to offshore institutions to respect Chinese political sensibilities, a warning which, as the example of the two BC schools shows, is having the intended effect even without any further action.

### **Costs and benefits**

A full cost benefit analysis of offshore schools would take into account not only economic but also social and cultural factors. As this is quite complex an undertaking, it cannot be done on the basis of the empirical data collected for this study. Nonetheless it seems useful to raise the question in a more general sense: Is China and is Canada (especially BC) benefiting from this arrangement, and in which way?

The main benefits of offshore schools for China appear to be obvious: the activation of fresh private resources for education and the import of high-quality schools, curricula, teachers, and innovative approaches to teaching and learning. That BC schools (and Canadian in general) are of high quality has been demonstrated by numerous comparative studies and the high ranking in international studies that compare student achievement (for example the PISA study). Quality schools (as well as other high-quality ‘cultural’ infrastructure) are an important asset for a region or major city when trying to attract foreign investment. This argument appears particularly valid when these schools are using English as the medium of instruction. But the linguistic argument does not only apply to children of personnel working in international companies or organizations; it is also a major point of attraction for Chinese parents who want their children to be fluent in English so that they can study and pursue careers abroad. Dual-language instruction is also in the interest of the government as it prepares Chinese students for careers in international trade relations and international careers in other fields of interest to China.

The benefits for Canada (and BC) on the other hand seem to be less palpable. The argument made by the initiator of the first BC offshore school that the reputation of Canadian schools would spill over to other goods and services and that the schools would act therefore as a door opener to the Chinese market is difficult to prove. There is some evidence from the interviews for this study that this is true at least for other educational services, e.g. demand for BC vocational schools and colleges and certified instructors for this type of education.

BC schools have been quite successful economically as their growth in number and enrolments shows. They employ several hundred young Canadian (including BC) teachers and provide them with valuable international experience. They have also created a small number of jobs back in BC for BC agents and service providers for the schools. Also, some school districts in BC offer summer language programs for offshore school students for which they can receive academic credit which is a growing source of income for some BC school districts. More importantly perhaps, BC offshore schools serve as feeder schools for Canadian universities and colleges as

the Canadian high school certificate provides access to Canadian higher education without any further exams such as TOEFL. The offshore program can therefore also be seen as benefiting the BC school and post-secondary system as students and graduates from offshore schools are partly compensating for declining domestic enrolments due to demographic shifts.

The costs for China of admitting foreign schools in China seem small in comparison with the benefits they bring to the Chinese education system. Most students graduating from offshore schools will leave the country to study abroad - which is also a benefit as there is more demand for study places than Chinese universities currently have. In many cases they will emigrate to Canada or another Western country or stay abroad to seek employment, a tendency that is encouraged by present Canadian economic and immigration policy (see for example, Government of Canada, 2007). Increasingly, however, Chinese graduates from Western universities eventually return to China as their foreign degree and professional experience abroad make them attractive to Chinese firms, especially in fields such as marketing and public relations (Waters, 2006). Although apparently welcomed by the present government, the import of Western thought and values, embedded in the curriculum and teaching practice of offshore schools, are seen as a risk, if not an outright cost, by forces within the Communist party who are concerned about weakening the ideological function of education (Tsang, 2003)<sup>15</sup>.

The costs for Canada are easier to assess, even if difficult to quantify exactly. As mentioned already, offshore schools pay fees for the initial certification process (\$2,500 for the candidate status application, and \$3,500 for the certification application) and the direct costs of the recurrent inspections (air fare, accommodation and professional fees for external members of the inspection team). They pay also a \$350 one-time-per-student fee entering the Certified Program at Grade 10, 11, or 12. There is also a \$50 fee for each additional Grade 12 examination written in addition to English 12.

These fees cover but a small fraction of the true costs incurred by the Canadian (or BC) tax payer. The maintenance and further development of the BC curriculum and the recurrent preparation of the annual provincial exams require considerable resources that are not fully paid for by the offshore schools if calculated on a per capita basis<sup>16</sup>. The same applies to the staff time required for the administration of the certification and inspection processes.

The 'sale' of the public curriculum to private entrepreneurs has been criticized in Canada (see for example, Kuehn, 2002). Although the term is not adequate in a technical sense as the province has received no direct payments in return nor is it sharing the schools' profits, it denotes – and protests – the process of privatization of schooling more generally, an ideological swing that is occurring world-wide (see Bray, 1098).

Cost and benefits must therefore be assessed from a larger perspective taking into account the various effects, both positive and negative, of the internationalization of education. Offshore schools are but a very small part of a fast growing international education industry, estimated by

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<sup>15</sup> A different if related question is the suitability of some parts of the Western curriculum, especially social studies. Conradi (2007), himself a social science teacher at one of the case study schools, makes the point that Social Studies 11, which is a required course, is far too Canada-specific to be useful for Chinese students.

<sup>16</sup> While this applies to BC independent schools as well, it can be argued that the beneficiaries are, at least in their majority, BC students.

*The Economist* in 2003 to be worth US\$100 billion. Manifestations of this trend are the proliferation of private language schools and language courses offered by public bodies, international MBA and other e-learning based programs, satellite campuses and franchising agreements, and the rapid increase of the number of international students (see for example Waters, 2006; Larsen & Vincent-Lacrin, 2002).

## 5. Suggestions for policy and research

Although not a policy study in the strict sense, there are a few implications from our study for policy. They are not 'recommendations,' however, as nobody commissioned the study and we have neither mandate nor intention to offer advice to policymakers. More in line with the nature of a pilot research study, there are also some suggestions on what further research is needed to more fully understand the phenomenon of offshore schools, or, more generally, foreign education institutions operating in China.

### Policy

As offshore schools are relatively new, both Chinese and Canadian policies and regulations are still in their infancy. From the Chinese perspective, it appears important to attract high quality schools, which means tested curricula, good teachers and administrators, and certified programs. There are presently some problems, uncertainty and risks for foreign educators and investors which result from the overlap of jurisdictions, the lack of clarity of some of the legal provisions, and the amount of discretion that officials have with regard to the application of the regulations. This tends to benefit investors with close political and administrative connections but does not necessarily attract people knowledgeable about running good independent schools. This problem is exacerbated by the lack of legal mechanisms such as trusts and foundations for the operation of non-profit organizations. There is also a lack of clarity and consistency across provinces concerning the way the legal provision which forbids profit-making is interpreted and the extent to which it is enforced. Private investors must rely here on their connections as well as pragmatic officials who realize that encouraging investment while prohibiting returns on the investment are inconsistent objectives (LaRocque & Jacobsen, 2000). The implications for policy seem to flow from this list: China should enhance policy consistency and transparency of the regulatory system at the different levels. Legal mechanisms such as trusts and foundations to operate non-profit independent schools should be established to attract non-profit institutions to set up offshore schools in China. As well, the seeming contradiction between legal principle (that 'profits' are prohibited) and pragmatic practice (that 'reasonable returns' are allowed) should be clarified.

Likewise, on the Canadian side, there are overlapping jurisdictions, varying provincial policies and procedures which tend to make for confusion in China regarding Canadian offshore schools. To the extent that the export of education is part of international trade, for which the federal government has the responsibility, this creates a certain dilemma of overlapping jurisdictions. As far as can be seen, the Minister of International Trade has not taken any initiative in this matter. Neither has the Council of Ministers of Education (CMEC), which was set up to discuss pan-Canadian education policy matters and present the education interests of the provinces and

territories internationally. As a result, there are neither policies nor guidelines nor quality assurance mechanisms for Canadian offshore schools that would be followed by all provinces. A pan-Canadian framework, agreed to by all provinces, might be useful since the present variety of quality standards and mechanisms might disadvantage Canadian schools in comparison with schools from other countries where more consistent and transparent policies and regulations exist.

Whereas this variety of approaches to quality control standards and mechanisms is a consequence of the constitutional order, there is no reason why the provinces could not get together in elaborating a coordinated framework for quality assurance that each province would apply. The CMEC provides a platform for such a coordinated policy, and there is a precedent as well: In 2007, all provincial ministers signed a Statement on Quality Assurance of Degree Education in Canada which establishes a common framework for quality assurance and sets standards and procedures for quality assessments (Schuetze, 2008). The rationale for this cooperative policy was the Ministers' concern, shared by most Canadian universities, that Canada was at a disadvantage in attracting foreign students to Canada because of the different, and for foreigners confusing, variety of quality assurance schemes. Parallel to this initiative, provincial ministers of education could adopt a pan-Canadian policy on the certification and recurrent inspections of Canadian offshore schools which would benefit Canadian offshore schools and increase the Canadian reputation for excellent education and schools.

## Research

There is so far little systematic research about offshore schools. Despite some public attention in BC, fuelled by a number of press articles about the attempt of public school districts to set up offshore schools in China ("Businesses run by BC school boards lose money," 2006), there has been little systematic research in Canada or the West on the topic (but see Waters, 2006, Wang, 2003). In contrast, there are an increasing number of Chinese publications (see for example Chang (2005); Cheng & Cheng (2007); He, Wu & Zhu (2003); Hu (2007); Jia & Chen (2005), Jiang (2005); Tan (2006); and Wang (2005)). This research deals mainly with offshore school teachers and students; curriculum and governance; and policy regulation and control. These studies are mainly descriptive and often single case studies; nevertheless they provide useful information about Chinese perspectives on these schools. Overall, however, reliable and systematic data are scarce.

Part of the problem in conducting such research will be gaining access to the schools and to data such as staff, students, completion rates and finances. As these schools are privately owned businesses, owners might fear that the publication of their schools' data, especially their finances, may mean bad public relations or giving competitors an undue advantage. On the other hand, many data from the application and periodic inspection are stored in the BC Inspector's office and can be obtained through freedom of information requests.

From a public policy perspective, research should focus on questions such as schools and career choices of young people (and their parents), quality of school programs and study success (completion rate, admission to post-secondary institutions), and more generally on the effect of internationalization of education on students (how many graduates from offshore schools pursue post-secondary studies abroad and how many return to China upon completion of these studies).

For Canadian researchers it would also be of interest to compare different approaches and experience of Canadian offshore schools in China with those in other countries. How do these schools reflect and convey typical Canadian values and attitudes toward lifelong learning, work and participation in civic society? More specifically, how do they reconcile Canadian values and educational objectives with Chinese values, culture and traditions? Chinese scholars may have a particular interest in how these schools compare with Chinese public schools and what their effect is on equality of educational opportunity. Also, what is the influence of these Western schools, if any, on educational reform in public schools in China?

From a larger perspective, studying the effects of offshore schools, offering Western curricula in other, especially developing countries, provides insights for the study of the economic, social and cultural effects of globalization on education. Is the world heading for, or are Western countries imposing, a global (Western) model of schooling that, in the name of rational design and efficiency, becomes the benchmark for schooling? Or is Western-style education reserved for a small group of students from a well-to-do economic background who, by graduating from an offshore school and continuing their studies (and careers) abroad, can escape the rigorous competition by using a backdoor to gain access to quality post-secondary education?

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