

Distance Education in Australia, Europe and the Americas



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Most countries discussed in this book are not new to open and distance education, but there are many new developments in open and distance education in most countries. This chapter provides an analysis of ODE in Australia, Brazil, Canada, Germany, the United Kingdom and United States, according to what the authors have written about the status and trends in ODE in their countries. In the previous chapters, many notable issues and trends emerge about changes to ODE. These include: the size of ODE enrollments; the amount that ODE enrollments constitute HE enrollments as a whole; the rate of growth in ODE enrollments; the role of the private sector in providing ODE programs; the varied use of ICTs for ODE provision; the role and influence of government policy; the opportunities and challenges for ODE providers; the digital transformation of higher education more generally; and the role of ODE in growing the acceptance of education as a private good. These are the topics of this chapter.

Size and growth of ODE

There are over 8.5 million higher education students taking a distance education course from institutions in Australia, Brazil, Canada, Germany, the United Kingdom and United States. The number of students taking ODE courses are listed in Table 1.

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Table 1 Enrollment in Open and Distance Education

Country	Enrollment in ODE courses	Higher education students taking ODE (%)
Australia	261,000	18.7
Brazil	1,341,842	17.1
Canada	361,000	29.0
Germany	154,325	5.5
United Kingdom	173,889	7.7
United States	6,359,121	31.6%

(These numbers are based on the data from the book chapters, and official government sources. ODE enrollments are not a straightforward number. Enrollments can be calculated in different ways including number of students who are fully ODE students, and number of students taking one or more ODE courses. As there is no standard for counting ODE enrollments, the data provided here is based on the figures provided by authors in the chapters. Additionally, the year for the data varies. For Australia, the data is from 2017, from 2018 for the year 2016 from US, 2015 for Canada and the UK, and 2014 for Brazil and Germany.)

The figures in the table are the minimum number of students enrolled in ODE in these countries. These numbers do not include enrollments in Massive Open Online Courses, MOOCs. Nor do they include, in some cases, thousands of students outside of these countries enrolled in ODE courses within those countries. For example, in Australia the 261,000 enrollments represent students in the country but studying off-campus where lesson materials, assignments, etc. are delivered to students off campus and attendance on campus is usually not required. In the United Kingdom, the data is the minimum number of ODE students. It includes enrollments only from the Open University. As Gaskell states in her chapter, the OU is not the only provider of open and distance learning in the UK. It is just the most well-known. There is no current data about campus-based institutions offering ODE in the UK. However, other data suggests that many international students were studying from abroad but at UK institutions using DE. According to the Higher Education Statistics Agency in Britain (HESA 2016), there were at least 114,000 students outside the UK studying at UK institutions via DE. The majority of these offshore students were from the European Union. The OU is not among the top 20 institutions where these students were studying. Based on this dataset, we can estimate that the enrollments of ODE are probably at least 340,000. In the United States in 2016, there were 3.00 million students taking all of their courses via ODE and another 3.36 million taking some courses via ODE (Seaman et al. 2018, p. 3).

It is not just the size of the absolute number of ODE enrollments that is notable. ODE enrollments are an important part of the overall higher education enrollments. In Australia, ODE students are 18.7% of all higher education students. This number is likely over 20% if ODE enrollments are included from the private consortium, the Open University of Australia. Brazil has a similar number of ODE students at 17.1%. In Canada, nearly 30% of higher education students are taking online courses. In Germany, ODE students constitute 5.5% of all students enrolled in universities,

including universities of applied science (Fachhochschulen) and the FernUniversität. In the UK, ODE students are at least 7.7% of all university students. For the United States, 14% of all higher education students were taking all of their courses via ODE, and nearly 30% of all higher education students were taking at least one course via distance. Among the six countries, on average 17.7% of all higher education students take some or all of their courses via ODE. As the UK and Australia numbers suggest, this is likely a low calculation.

Growth of ODE

In most countries, the demand for ODE continues to grow. For nearly all countries, the authors indicate there is a growth in the absolute number and percentage of ODE enrollments from previous years. The exception here is the United Kingdom. In Australia, ODE enrollments rose four percent from 2016 to 2017. In Brazil, the overall growth rate averaged 10% per year from 2009 to 2014 for distance-based student enrollments. During the decade, the growth rate ranged from 4% for 2012 to 2013, to a 16% growth rate from 2013 to 2014. Canada has had an annual growth rate of 8.75% for the last 10 years. In Germany, ODE enrollments have been growing unevenly. Enrollments grew near or above 30% a year from 2009 to 2011. Then it grew just over 7% a year from 2011 to 2013, before falling to just 0.9% growth from 2013 to 2014. In the United States, ODE enrollments have grown at about 5.6% from 2015 to 2016 (Seaman et al. 2018, p. 12).

In the UK, there has been an overall decline in ODE enrollments. In 2009–2010 there were more than 260,000 students enrolled in the OU and by 2014–15 there were just under 174,000 students enrolled. This has led to a 7.2% annual decline in OU enrollments from 2010 to 2015. Government policy and funding changes have substantially affected higher education enrollments as a whole, including enrollments for open and distance education at the Open University and other institutions offering DE courses. After the austerity budgets of the UK government, there were less monies for public funding generally, including for higher education. A new government funding structure for higher education in 2012 increased tuition fees for students substantially. This has led to less adult learners and part-time students enrolling in higher education. These students historically have been an important body of DE enrollments.

There is a huge demand for higher education in general, and the annual growth rates understate how dramatic the growth of ODE has been in many countries. In Brazil, there were less than 50,000 students enrolled in ODE in 2003. By 2014 there were over 1.3 million students enrolled in ODE. The overall growth in ODE enrollments was 2458% during those years, while campus-based enrollments grew at 66.9% in the same time frame. In the United States, from 2002 to 2012, ODE enrollments grew from over 1 million to over 5 million for a growth rate of over 300% during that decade. Even in Germany, in which ODE is a lower percentage of higher education enrollments, ODE enrollments grew from just over 69,000 in

2003 to over 154,000 in 2014 for a growth rate of 123% during that time frame. The overall effect has been that ODE enrollments have increased, in some countries dramatically, since the advent of online education.

Providers of ODE

The challenge of identifying student enrollments in ODE is partly due to the growth in the number institutions providing distance, particularly online, education. With the emerging digital media and technologies, the clear boundaries between conventional campus-based and distance teaching universities are blurring, and many higher education institutions are moving from single mode to dual mode activity. Historically, it used to be possible to identify which institutions offered online and distance education. As the lack of data in United Kingdom suggests, it has become more challenging to do so now that so many institutions are offering online education. There are now so many institutions offering ODE that it is difficult to know how many are doing so unless there are intentional efforts to gather this information.

The growth of ODE enrollments has been accompanied by three important trends about ODE providers: conventional ODE providers have increased their offerings; more campus-based institutions have become ODE providers; private institutions have grown in numbers and offerings.

Universities with a long history in open and distance education continue to provide ODE, often with increased offerings at institutions like Charles Sturt University in Australia, Athabasca University and TELUQ in Canada, Penn State University and University of Maryland University College in the United States, FernUniversität in Germany and the Open University in the United Kingdom. However, they are now often competing with institutions that historically did not offer ODE. In Australia, nearly 75% of all online enrollments are from six universities: Charles Sturt University, University of Southern Queensland, University of New England, Deakin University in Melbourne, Central Queensland University and the University of Tasmania. But most of the country's 49 universities also have some online enrollments. In Brazil, institutions have to be authorized by the federal government to provide ODE courses. There are 177 of the 2386 universities that are currently authorized to offer distance education at the university level. They offer a total of 3935 different courses. In Canada, over 80% of all ODE course enrollments are from institutions that are campus-based that also offer courses and programs that are fully online, or a mix of campus and online.

The ODE landscape is more competitive in each country than it ever has been. The growth of campus based DE offerings may be a threat to conventional ODE providers. Table 2 shows the growth in providers and competition in Germany.

Growth in German ODE enrollments is mainly from dual mode institutions—campus based institutions that offer blended or online courses. Indeed, the term dual mode university may be an outdated legacy of the twentieth century, as most campus-based universities in the U.S. and the U.K. also seem to be offering online courses and

Table 2 ODE enrollment growth in Germany

ODE growth rate	2005(%)	2007(%)	2009(%)	2011(%)	2012(%)	2013(%)	2014(%)
Dual mode institutions	26.1	4.8	26.0	3.2	57.2	15.6	23.2
Single mode	-7.7	12.5	39.7	34.7	-0.7	5.3	-5.1
Overall growth in DE	-2.6	11.0	37.2	29.3	7.2	7.3	0.9

programs. In the twenty-first century where digitization of education continues, it seems to be less important to distinguish between campus only and dual mode institutions.

ODE is increasingly provided by private universities—universities not receiving public funding from the government. There are two types of private universities, not-for-profit and for-profit. The Massachusetts Institute of Technology (MIT) in the United States is an example of a private not-for-profit university. Even their MOOC operation, EdX, is a nonprofit. Private sector campus-based for-profit universities have been operating for decades in Australia, the UK and the U.S. For-profit DE providers have also been in existence since the nineteenth century. However, it is with the advent of the Internet that for-profit universities have grown in number and offerings of ODE courses and programs. Among the most recognized examples of a for-profit institution is the University of Phoenix in the U.S. It is an ODE provider in the sense that it offers DE and has an open admissions policy, perhaps because it is a for-profit institution.

For-profit ODE is more common in some countries than others. For-profit ODE is minimal in Canada where there are almost no private, for-profit online universities, as Bates states in his chapter. In contrast in Brazil, it is the main source of ODE enrollments. Figure 1 shows how the overall growth of ODE enrollments has been almost parallel with the growth of ODE enrollments in private, especially for-profit, institutions.

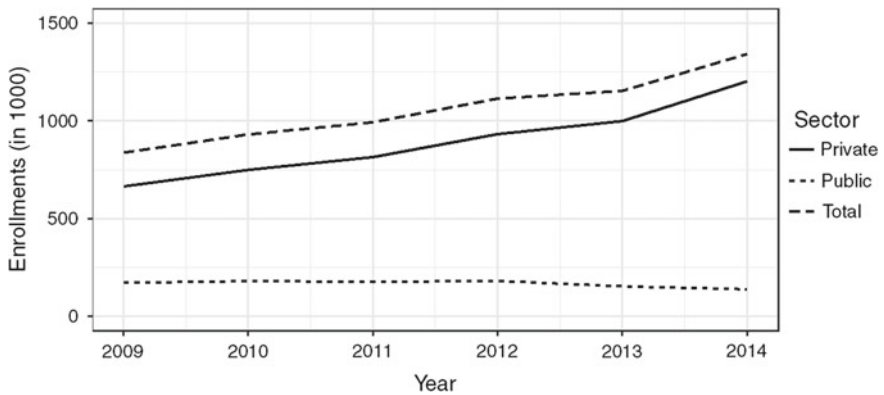


Fig. 1 Brazil ODE enrollments in public and private universities

A spectrum of the role of public to private institutions in providing ODE providers is illustrated in Fig. 2. The spectrum shows that ODE is dominated by public and private non-profit institutions in most countries covered in this volume.

However, in Brazil, and likely other countries, ODE is dominated by for-profit institutions. In 2009, 79.4% of ODE was delivered by private institutions in Brazil. By 2014, 89.6% of ODE was provided by for-profit institutions.

The Role of ICTs

An important part of the growth of ODE has been shape of ODE—the design and delivery of distance education using ICTs. It is notable that Germany has the lowest enrollments of students taking ODE courses among the six countries, as well as the lowest percentage of higher education students taking ODE. It is not surprising given that higher education is free in Germany, and there are now over 400 higher education institutions in this rather densely populated country. It also seems to be the country where more distance education courses are offered in correspondence and blended learning than in other countries. In Australia, Canada, the United States and the United Kingdom, ODE is now nearly synonymous with online education. In Brazil, online education has become what mobile phones have become in many countries, a leapfrog technology. Leap-frog technologies allow countries to leap over generations of technology that require infrastructure (e.g. landline phones), to a more recent ICT. This allows for superseding the old infrastructure requirements. Online education is a leapfrog technology for DE. Instead of investing in broadcast or videoconferencing systems infrastructure, countries can focus on cellular and broadband infrastructure. While there are cautions about leaving correspondence, radio and other forms of ODE—especially to provide access for people in underdeveloped regions—certainly the growth in ODE seems to be based on online education. With the development of online learning, ODE clearly moved into the mainstream of higher education systems.



Fig. 2 Spectrum of public and private providers of ODE by country

The Role of Government

The changes in ODE occur in a context of government educational policies and regulations. In Australia, Brazil, and the United Kingdom the federal level of government controls higher education policy and regulation. Higher education in Canada and Germany is the responsibility of the province or state level of government. In the United States, public institutions are responsibility of the state, but public, private not-for-profit and private-for-profit institutions are affected by federal government regulations. The government context of ODE varies from high regulation countries to low regulation countries. Brazil is a high regulation country where all providers of ODE need to be authorized by the federal government. Government has to give permission for initiating ODE, and at times approving content and tuition costs. Governments have also helped foster ODE through educational policy initiatives to increase access, digitization, and ICT oriented education, like digital literacy initiatives. In Australia and Brazil, federal educational policies around digitization have helped accelerate the changes and growth of ODE. In Canada, these have occurred mainly at the provincial level, notably in Ontario and British Columbia. At the other end of ODE regulation is the United States. While U.S. educational policies vary from state to state, overall there it has been much more of a *laissez-faire* attitude about allowing institutions and businesses to make their own decisions about entering or expanding into distance education. However, state governments can set tuition fees. More recently, concerns about financial malfeasance of students in online education have led to post hoc regulations at the federal level about how student financial aid can be used by all online education providers.

The Function of ODE

The data on ODE enrollments and providers suggests that distance education is an increasingly important part of the higher education system in most countries. ODE seems to play three major functions in higher education systems: increasing access; providing flexibility; and abetting in the larger digital transformation of higher education. In some places, particularly Brazil, ODE continues to play an access mission that distance education has historically played. ODE is providing access to education for those who cannot get physical or, in some cases admissions, access to higher education. The immense growth in enrollments and providers suggests a large demand for higher education access that ODE is meeting faster than campus-based education. The access mission of ODE is likely still important in other countries particularly from institutions that have an open admissions policy, like the OU in the UK. In Germany, the Ministry of Education and Research is supporting higher education institutions with 250 million Euros in an “Open Education” funding program to develop a “lifelong learning” profile. Hundreds of new study programs have been

developed by conventional campus-based universities in a blended learning format to provide flexible learning opportunities for non-traditional students.

Thus, ODE enrollments are partly growing from students who are already on campus and increasingly taking online courses. ODE is playing the role of providing flexible education options for conventional undergraduate, graduate, continuing education and adult students. The growth of distance education in Australia, Canada, Germany, the U.S. and the U.K. has been increasingly by institutions providing more options for students. In the United States, more than 80% of institutions with more than 1000 students offer some distance education courses (Allen and Seaman 2014, p. 14). In Europe, online education is not the domain of ODE institutions but now a common part of conventional higher education institutions” (Gaebel et al. 2014). In Canada, the growth of online learning has been substantially driven by on campus institutions.

Finally, ODE is, for many institutions, part of a larger phenomenon about the digitization of higher education. Latchem points out in his chapter on Australia that the growth of blended learning is blurring the distinction between on campus and distance education. Bates states that in Canada online education has moved many institutions towards increased blended learning as well as distance education. The growth of distance education, online education and blended learning is part of what Selwyn has called “the wider enmeshing of digital processes and practices within higher education” (Selwyn 2014). All functions within higher education are becoming digitized including communication, administration, research process and publications, and library services. The teaching functions, via full DE or blended, are just another manifestation of the digital transformation of universities.

Due to these functions, ODE has helped expand higher education as a whole. In Australia, Brazil and the United States ODE is more overtly an important part of the growth of higher education. In Australia, the increased use of digital technologies via distance and blended learning is an important part of the growth of postsecondary education. In the United States, university and college enrollments are mainly growing in online education. In Brazil, tertiary education is growing exponentially, mainly because of distance education.

Trends and Future Challenges

On a macro level, open and distance education is being affected by two major factors: the global growth in demand for education and the digital revolution. Notably, there seems to be less influence on ODE from globalization—the increasingly borderless economic and social exchanges. ODE still seems to function mainly, though not wholly, within a nation state. There is not much indication that non-domestic enrollments constitute a large percentage of ODE demand. There are two exceptions. In the United Kingdom, out-of-country for-credit enrollments in ODE may be as large as internal demand. Secondly, there is substantial out-of-country enrollments in many countries for non-credit ODE, such as MOOCs.

Practically, these two major factors, demand and digitization, manifest as important trends and challenges for ODE that are worth noting for students, teachers, designers, researchers, administrators and policy makers. First, ODE will likely continue to grow and to be an important part of meeting the expanding demand for higher education. This has led to many new entrants in ODE in Australia, Brazil, Canada, Germany, the United Kingdom and the United States. These include public and private for-profit institutions. For-profits exist to address a demand that public and private not-for-profit institutions may not be able to meet. In Canada and Germany, the demand for higher education may be met by public institutions offering ODE. In Brazil, the demand certainly has not been met.

Second, ODE is helping to foster more competition in the field of higher education. Education is unlike most other sectors of a society or economy. It has historically had a very strong collegial dynamic. Indeed, the word collegial has the same Latin origins as college. Both come from the word *collegium*, which means partnership or group in which each member has approximately equal power. Certainly, there has always been a competitive element to education at all levels. School and university rankings at local, national and international levels are at least partly a manifestation of competition. However problematic rankings may be, they continue to be part of the educational landscape and may inform educational choice decisions for many students. The growth of ODE expands the scale and geographical size of competition among institutions within and, to a lesser extent, outside of countries.

Third, growth of ODE is a conduit, among others, by which ICTs are potentially changing the higher education sector to becoming more of a private good.¹ Many public and private higher education institutions are charging students more for ODE programs, particularly for graduate programs. Education was and is often subsidized by the state and students paid only a portion of the cost of providing education. Historically, education in many countries is seen as a public good, suggesting that public investment and subsidizing in education is important because society as a whole, benefits from a more educated populace. The growth of ODEs is not just allowing for new entrants, approaches and services in higher education. It is changing how people think of the function and role of the education. Now, it is increasingly the case that students are being asked to pay the full costs of their education. Whether a good is public or private is ultimately about who pays for it. In Brazil, Canada and the United States at least, increasingly in many ODE programs students are paying for more of the cost of their education. The idea that education is a private good has been advocated by key institutions like the World Bank, that argue that private sector education is an important way to expand educational access and improve quality (Devarajan 2014). The growing acceptance of education as a private good was forecast in a sense already by Noble (2001) who argued that expanded online education would create digital diploma mills. ODE increases the growth of mass

¹For economists, a good is public if it is non-exclusive and non-rivalrous. Non-exclusive means that I cannot exclude you from having it if I have the good. If I have street lighting, I cannot exclude you from consuming street lighting, without effort to block the lighting from you. Non-rivalrous means that you consuming it doesn't lessen my ability to consume it. If you are walking on a well light street, I can also benefit from that street. In this sense, formal education is often a private good.

higher education by making education a private good. Nowhere is this more evident than in Brazil.

Fourth, while there is increased competition in ODE, the barriers for new entrants in open and distance education are high. This has more to do with higher education generally than ODE specifically. Higher education is in a trust market (Winston 1997). An organization cannot be an educational start-up as a provider of higher education. This may not apply to training or micro-credit organizations. Trust is earned not in years but decades. It took the Open University of the UK decades to develop their good reputation. Education is not a product or service like most others. Existing institutions can have a decided advantage. They have a history and reputation. In Brazil, Litto points out that many for-profit new entrants, work around this barrier, by buying existing institutions and using their brand. They are partnering with, or acquire existing institutions and expanding their role into the ODE sector. They recognize that having a reputation, history and a future is important for providers of ODE.

Finally, ODE will likely continue to change shape as the digital transformation of higher education expands. This poses an existential challenge for conventional distance educators. As the popularity of ODE has grown in most countries on the demand and supply side, and digitization has created a convergence between on campus and online education, it has asked if distance education is ending. Likely ODE will continue to be important, if only because there are still students who will continue to be under-served by conventional education. However, distance educators cannot be complacent. They will need to address ongoing changes of new ICTs, the expanded competition of new entrants and increased demand for a quality educational experience in open and distance education.

The initial challenge for governments, researchers and institutional providers of ODE is to create and apply frameworks for analyzing a sector that is dramatically changing. Such frameworks would need to account for: the changing student demand, demographics and needs; the mission, goals and regulations of educational providers; the type and number of new entrants; and the creation of alternatives to conventional credentials, as educators, companies, and industry groups are offering new types of credentials. Ultimately the goal of such a framework should be to allow governments and institutions to develop not just internal management plans but also more competitive strategies. Such strategies will need to account for the mission of the institution, including their perspective of education as a public or private good. The creation of analytical frameworks is necessary because, as the chapters in this book illustrate in detail, ODE will continue to change in shape, size and location in Australia, Europe and the Americas. One such a framework is provided in the next volume in this series, on ODE in Asia, Africa and the Middle East.

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