

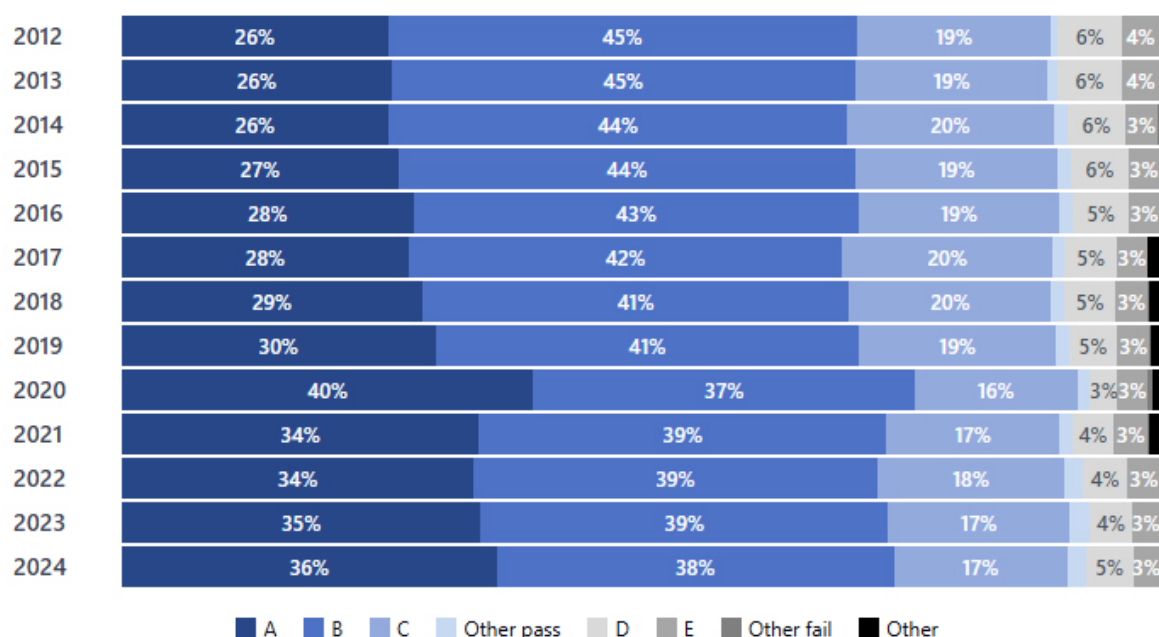
50 SHADES OF GRADES:

GRADE COMPRESSION AT NEW ZEALAND UNIVERSITIES

NOVEMBER 2025

JAMES KIERSTEAD

WITH MICHAEL JOHNSTON



**THE
NEW ZEALAND
INITIATIVE**

www.nzinitiative.org.nz

About the Author

Dr James Kierstead

Dr James Kierstead is a Senior Fellow at the New Zealand Initiative, where his work focusses on universities, free speech, and democracy. He lectured in Classics at Victoria University of Wellington from 2013 to 2023, when the university disestablished his position. For The New Zealand Initiative, he has published *Blessing or Bloat? Non-academic Staffing at New Zealand Universities in Comparative Perspective* (2023) and *Unpopular Opinions: Academic Freedom in New Zealand* (2024).

Besides his academic publications on ancient and modern democracy, James has published pieces in *The Post*, *The New Zealand Herald*, *The Australian*, *The Spectator Australia*, *Quillette*, *Quadrant*, *Times Higher Education*, *Chronicle of Higher Education* and other outlets. He is also the co-host, with Michael Johnston, of the Free Kiwis! podcast, which aims to establish liberalism in New Zealand.

Dr Michael Johnston

Dr Michael Johnston is a Senior Fellow at the New Zealand Initiative. He leads the Initiative's work on education. Michael chaired a Ministerial Advisory Group (MAG) for Education Minister Erica Stanford. The MAG advised on the development of a knowledge-rich curriculum for English and mathematics. Dr Johnston holds a PhD in Cognitive Psychology from the University of Melbourne.

Published November 2025 by

The New Zealand Initiative
PO Box 10147
Wellington 6143
New Zealand
www.nzinitiative.org.nz

Views expressed are those of the author and do not necessarily reflect the views of The New Zealand Initiative, its staff, advisors, members, directors or officers. Errors and omissions remain the sole fault of the author.

Research Note
ISSN 2816-0347

About the New Zealand Initiative

The New Zealand Initiative is an independent public policy think tank supported by chief executives of major New Zealand businesses. We believe in evidence-based policy and are committed to developing policies that work for all New Zealanders.

Our mission is to help build a better, stronger New Zealand. We are taking the initiative to promote a prosperous, free and fair society with a competitive, open and dynamic economy. We develop and contribute bold ideas that will have a profound, positive, long-term impact.

Contents

Introduction	1
Back in the spreadsheets	3
Shades of grades	4
Manic compression	7
The As have it.....	8
Appendix: errata	10
 Figure 1: Percentages of A, Bs, and Cs at an imaginary institution, 2012-2024.....	1
Figure 2: Classes of degree awarded at universities in England as a proportion of all degrees, 1994-2019	2
Figure 3: Percentage of grades in ranges A to F at four-year colleges in the US, 1940-2012	3
Figure 4: Individual grades as a percentage of all grades awarded at New Zealand universities, 2006 to 2024	5
Figure 5: As and Bs vs. other grades as a percentage of all grades awarded at New Zealand universities, 2006-2024.....	7
Figure 6: As vs. other grades as a percentage of all grades awarded at New Zealand universities, 2006-2024	8
Figure 7: Percentage of grades in ranges A to E at NZ universities, 2006-2024.....	9
Figure 8: Percentage of A-range grades at New Zealand universities, 2006-2024 (report)	10
Figure 9: Percentage of A-range grades at New Zealand universities, 2006-2024 (corrected).....	11
Figure 10: Percentage of pass grades at New Zealand universities, 2006-2024 (report)	12
Figure 11: Percentage of pass grades at New Zealand universities, 2006-2021 (corrected)	12
 Table 1: Categories represented on the spreadsheets provided to us by the universities	4

Introduction

In our recent report, *Amazing Grades: Grade Inflation at New Zealand Universities*, we drew on university records to document rises in pass rates and in the percentage of grades in the A range (A+, A, A-) between 2006 and 2024.

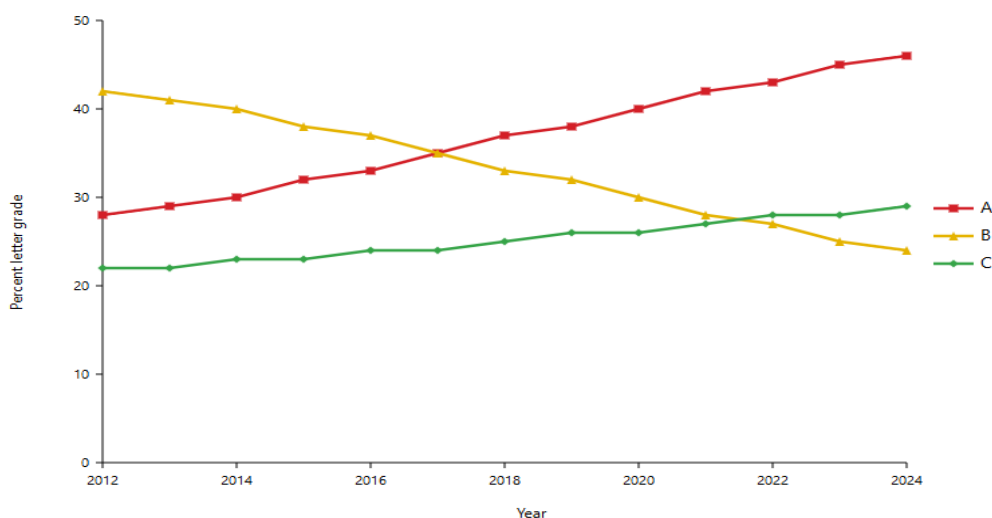
In this research note, we draw on the same dataset to examine the full spectrum of grades at New Zealand universities over the past two decades. We investigate the phenomenon of ‘grade compression,’ in which more students receive the same top grades over time. And we also track the rise of As vis-à-vis other grades, and predict that As will soon be the most commonly awarded grade at NZ universities.

We focussed on As and pass rates in our report for two reasons. First, we didn’t think we could analyse all of the grades in the time that was available to us. And second, we felt that documenting a rise in both As and pass rates would be enough to start a discussion about grade rises.

Tracking these two indicators showed not only that more students were attaining top grades, but that more students were passing as well. It thus undermined the possible argument that the best students were performing better even as assessment standards remained rigorous (which might have been suggested by flat or declining pass rates).

Of course, a rising percentage of As and rising pass rates is consistent with a number of different scenarios when it came to other grades. In theory, for example (though this is very unlikely) passing grades could have formed a bimodal distribution, with more students getting As and Cs and fewer getting Bs. This would be suggestive of passing students dividing into two groups: students whose performance was continuing to improve, and students who had increasing difficulties with their courses. (Or, in conditions of grade inflation, of pressure being exerted on academics to give students either grades in the top range or in the lowest passing range.) This scenario is illustrated in Figure 1, which we drew using invented data.

Figure 1: Percentages of A, Bs, and Cs at an imaginary institution, 2012-2024



Source: Artificial data

It could also be, though, that as A grades rose as a percentage of all grades awarded, Bs rose, too, with C grades being gradually squeezed. This is similar to what happened with 1sts, 2:1s and 2:2s at English universities between 1994/5 and 2018/9. As Figure 2 shows, first-class degrees increased from 7% to 27% of degrees awarded, and second-class (upper division) degrees also expanded from 40% to 46% of degrees awarded. Meanwhile, second class (lower division) degrees almost halved, decreasing from 35% to 17% of all degrees awarded.

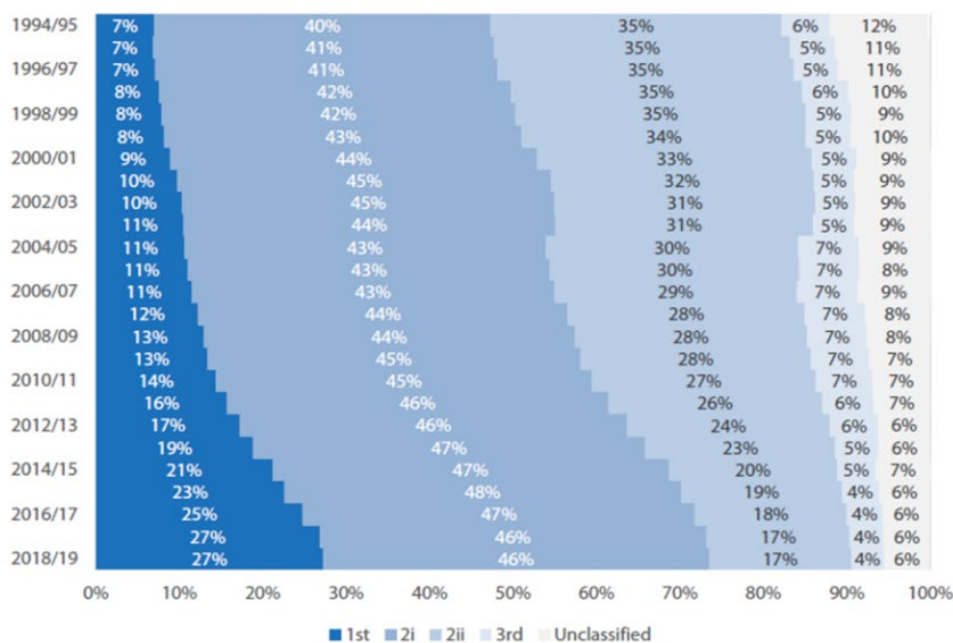
The UK's degree classification system

UK universities issue three classes of degree: first-class honours (1st), second-class honours (2nd), and third-class honours (3rd), with the second class being further divided into 'upper second-class honours' (2:1) and 'lower second-class honours' (2:2).

When I was an undergraduate in the UK, we also knew the various classes of degree by their monikers in (pseudo-)Cockney rhyming slang. We all wanted to get a 'Damien' (Hirst or First) of course, though most of us would happily settle for an 'Elton' (John or Two:one). Some of us definitely worried about getting a 'Desmond' (Tutu or Two:two), and we were terrified of going away with only a 'Douglas' (Hurd or Third).

In England it would seem that markers, for whatever reason, have increasingly preferred to place students in the 1st and 2:1 categories rather than in the 2:2 category. This may reflect more and more students achieving a 'good' standard of achievement, or an increasing institutional sense that giving a 2:2 would be an 'unkind' thing to do.

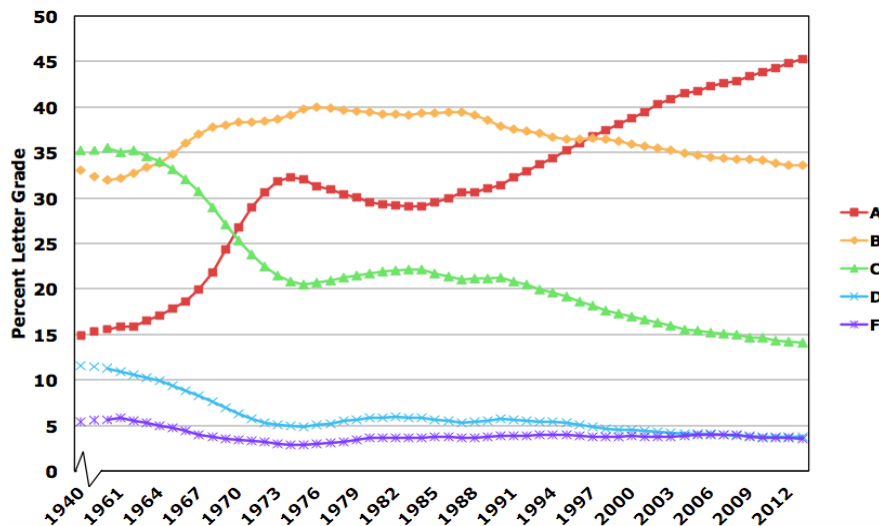
Figure 2: Classes of degree awarded at universities in England as a proportion of all degrees, 1994-2019



Source: 'UK grade inflation,' *Snippet Finance* (16 Sep 2020)

Another possible scenario is that as As rose, Bs and Cs both declined. This is what has happened at US universities since the late 1980s, as shown in Figure 3. In the US, As have increasingly crowded out both Bs and Cs, becoming the most common grade in the late 90s, and increasing their lead over the other grades since then. The phenomenon is consistent with an increasing number of American college students attaining an excellent level of academic achievement. It is also consistent with As becoming the default, almost expected grade at US universities.

Figure 3: Percentage of grades in ranges A to F at four-year colleges in the US, 1940-2012



Source: Stuart Rojstaczer and Chris Healy, "Grade inflation," *op. cit.*

All of these different scenarios, then, could be lurking behind our initial analysis of the percentage of A and pass grades at New Zealand universities. Accordingly, in this research note, we've gone back to our dataset to look at the breakdown of all the main grades awarded at our universities over the past couple decades.

Back in the spreadsheets

For this research note we revisited the data that we obtained from the universities in 2022 and 2025. Based on the categories used in the spreadsheets the universities gave us, we decided to include eight categories in our analysis: A, B, C, 'other pass,' D, E, 'other fail,' and 'other.' Table 1 shows which categories were represented on each spreadsheet. Categories that we decided not to use in our analysis are in square brackets.

We didn't include Auckland's 'other' and 'not graded/other' and Massey's 'ungraded' results because we wanted to include only results that received a grade. We did include Waikato's 'other' results since the absence of 'other pass' and 'other fail' categories there suggests that this 'other' category did include passes and fails.

Table 1: Categories represented on the spreadsheets provided to us by the universities

Auckland 2006-2021	A	B	C		D		Other fail	[Other]
Auckland 2021-2024	A	B	C	Other pass	D		Other fail	[Not graded/other]
AUT	A	B	C		D			
Canterbury	A	B	C	Other pass	D	E	Other fail	
Lincoln	A	B	C		D	E		
Massey	A	B	C		D	E		[Ungraded]
Otago	A	B	C	Pass (our 'Other pass')			Fail (our D & E)	
VUW	A	B	C	Other pass	D	E	Other fail	
Waikato	A	B	C		D	E		Other

The A through C categories include ordinary as well as plus and minus grades (A+, A, A- and so on). In the case of Otago, the A category also includes the 'A+ distinction' category as well as the regular A+ category.

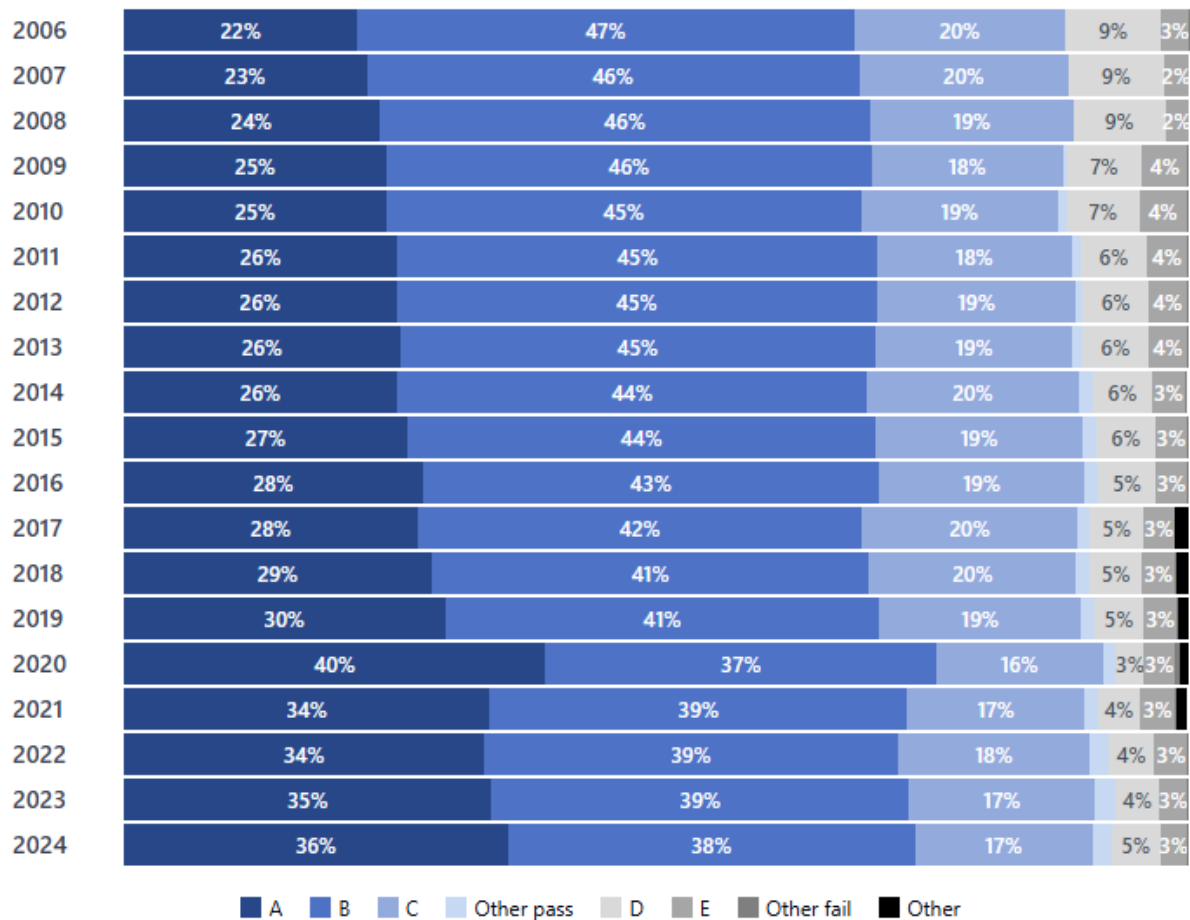
Otago's spreadsheets also included 'pass distinction' alongside 'pass results,' which we included in our 'other pass' category. Otago's Ds and Es were presented in a single 'fail' category, so we calculated what percentage of Ds and Es were in the D or E category at the universities that reported them, and then coded those percentages (66% and 34% respectively) of Otago's fails as Ds and Es accordingly.

While preparing this research note, we noticed a few minor errors in the calculations for our previous report. We discuss these in the appendix. None of them significantly affect our conclusions either in our report or in this research note.

Shades of grades

Figure 4 shows individual grades as a percentage of all grades awarded at all of New Zealand's universities from 2006 to 2024.

Figure 4: Individual grades as a percentage of all grades awarded at New Zealand universities, 2006 to 2024



Source: University records via OIA requests

The graph has been designed in a similar style to Figure 2 above for ease of comparison. We should bear in mind that Figure 2 shows classes awarded for whole three- or four-year degrees (see the text box above), not grades for individual courses as in Figure 4. But we can still make a number of comparative points.

First, Figure 4 makes it especially clear that (as we noted in our report) the growth in the proportion of top grades at New Zealand universities to 2024 was more modest than the rise in the proportion of top-class degrees at English universities to 2018/19. While the proportion of first-class degrees at English universities was nearly four times larger in 2018/19 than it was in 1994/95, the percentage of As at New Zealand universities was only 1.6 times larger in 2024 than in 2006.¹

Second, top grades nevertheless did increase substantially as a share of the total grades awarded in both countries. The 14 percentage point rise we observe in As as a percentage of all the grades awarded at New Zealand universities is in fact slightly higher than the 13 percentage point rise we

¹ Indeed, the growth in first-class degrees in England has been so dramatic that English universities in 2018/19 awarded a similar proportion of the top two assessment categories to New Zealand universities in 2024 (73% to 74% respectively) - in spite of only a modest (6 percentage point) increase in the proportion of 2:1s. In 2006, the top two categories accounted for a much greater proportion of the total in New Zealand (69%) than in England (47%).

calculated for the median university in our report. It represents a 64% increase - substantial, even if much less dramatic than the 286% increase in the percentage of firsts awarded at English universities.

Third, however, despite a rise in the proportion of top results in both countries, there are notable differences in the pattern for other results. In England, at the same time as the proportion of 2:1s increased from 40% to 46%, 2:2s underwent a precipitous decline, falling 35% to 17% of all grades. In New Zealand, by contrast, both Bs and Cs declined together, from 47% to 38% and from 20% to 17% respectively.

The New Zealand situation, then, is more similar to the US pattern displayed in Figure 3. As in the US, it is the rising tide of As that has been squeezing out the other grades, even without any burgeoning of Bs. (Indeed, in both these countries, the proportion of Bs fell slightly).

The only real difference between the US and NZ here is that, while Cs have declined quite steadily in the US, they have largely held up in New Zealand, with only the three percentage point decline we noted earlier.

In our earlier report, we noted a slight increase in the median pass rate at New Zealand universities from 88% to 90% between 2006 and 2024. We also documented various pressures on New Zealand academics not to lower pass rates, including a belief that courses with low pass rates might lose their funding.² This could have kept the number of Cs up in New Zealand, as academics would likely have given some students who might previously have failed a grade in the lowest range. If so, though, the effect was clearly not strong enough to prevent the proportion of Cs from declining slightly.

In both countries, then, we are a far cry from the hypothetical situation we considered in Figure 1, where the As and Cs both crowded out the Bs. In New Zealand, as in the US, it is largely the As that have crowded out everything else.

What might explain this? It is impossible to say for sure, and we would welcome further research on the topic. For the time being, though, we might advance the tentative hypothesis that the difference has to do with what is considered a 'good' grade in different societies. In the UK, for example, people speak of getting 'a good degree,' meaning a 1st or a 2:1.³ 'A 2:1 or above' is often required for applications to certain jobs and to postgraduate study.

In the US, by contrast, a high grade-point average (GPA) tends to be more important for securing entry to graduate programmes, professional schools (of law and medicine, for example), and high-paying jobs. This puts a premium on the top grade range – in other words, on As. Something similar could be said of New Zealand, although here GPAs are probably more important for securing scholarships for postgraduate study than for jobs.

It may be, then, that graders in the UK have felt increasing pressure over the years to give out 1sts and 2:1s, but to think very hard about giving out a dreaded 'Desmond' or 2:2. In the US and New Zealand, there may be more pressure to give out As, but less pressure to give out Bs rather than Cs. If

² See James Kierstead and Michael Johnston, *Amazing Grades: Grade Inflation at New Zealand Universities* (Wellington: The New Zealand Initiative, 2025), 20 (pass rates) and 38-42 (pressures on academics).

³ For 'good' degrees, see e.g. Patrick Jack, "Is grade inflation a worldwide trend?" *Times Higher Education* (28 June 2018).

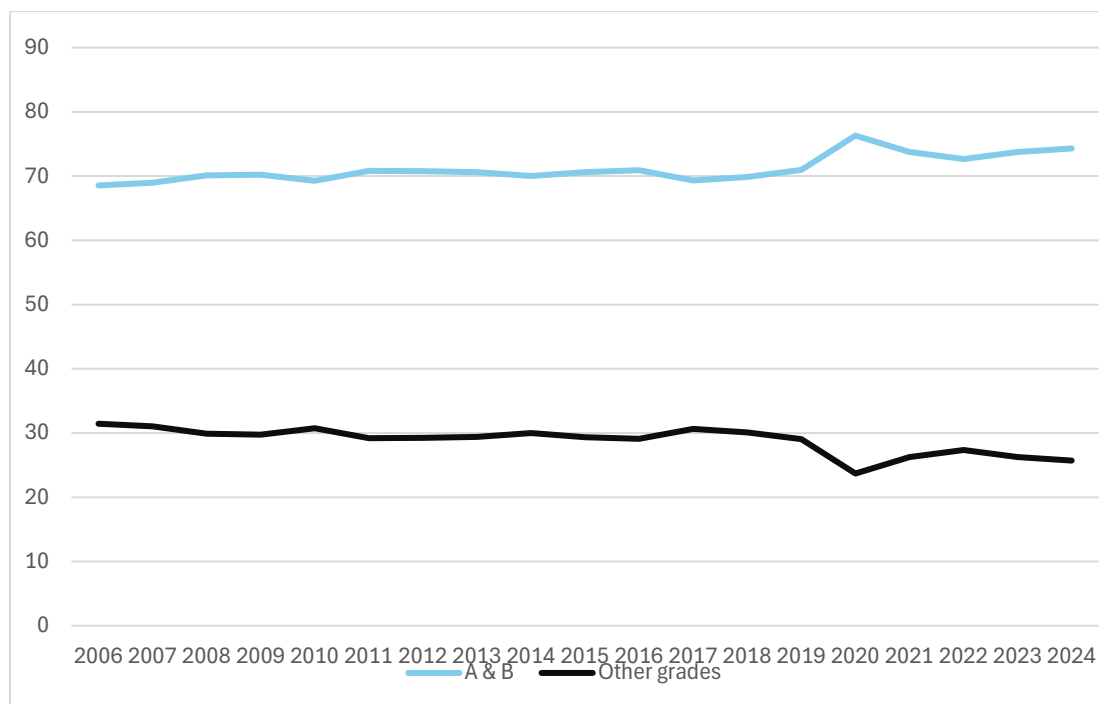
this is right, it may explain the growth in the very top grade range that we have observed in these two countries, a pattern which is subtly but noticeably different to the growth in the top two degree classes which has been observed in England.

Manic compression

In our report, we noted the tendency for grade inflation to go hand in hand with ‘grade compression.’⁴ Unlike monetary inflation, grade inflation has a natural ceiling (every student obtaining the top grade), so rises in grades involve less variety in the grades students receive. Grades become more homogeneous, with more students obtaining As and Bs as opposed to other grades.

We can see this phenomenon in action at a sample of Ontario universities, where As and Bs increased from 48% to 53% of all grades between 1973/4 and 1993/4, and at the University of Calgary, where As and Bs increased from 60% to 69% of grades in junior (first- and second-year) courses and from 75% to 80% in senior (third- and fourth-year) courses between 1992/3 and 2001/2.⁵ We have also seen grade compression (strictly speaking, compression of degree classes) at English universities, with 1st and 2:1s increasing from 47% of all degrees in 1994/5 to 73% in 2018/9 (see again Figure 2).

Figure 5: As and Bs vs. other grades as a percentage of all grades awarded at New Zealand universities, 2006-2024



Source: University records via OIA requests

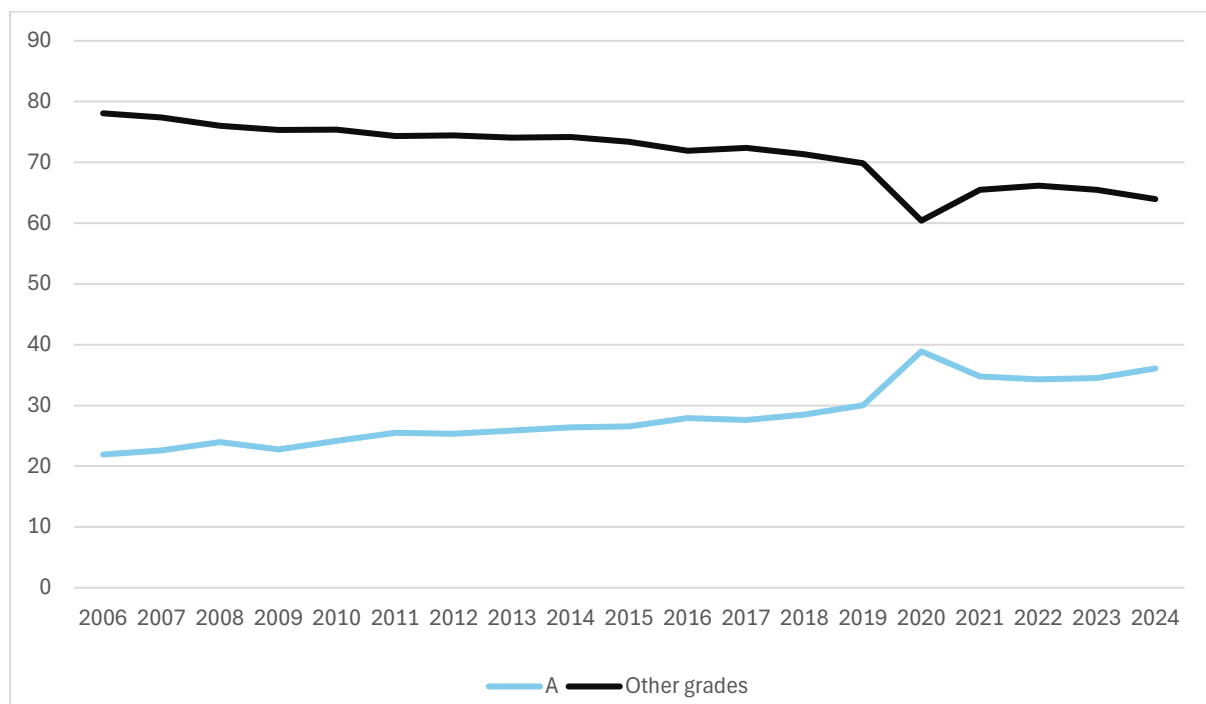
⁴ See again Kierstead and Johnston, *Amazing Grades*, *op. cit.*, 16. For grade compression and its relationship with grade inflation, see esp. Michael Hattem, “Grade inflation or grade compression?” *The Junto* blog (15 May 2014).

⁵ James Côté and Anton Allahar, *Ivory Tower Blues: A University System in Crisis* (Toronto: University of Toronto Press, 2007), 197.

As Figure 5 shows, As and Bs combined have also come to account for a larger share of all grades at New Zealand universities, increasing from 69% to 74% of all grades between 2006 and 2024, while all the other grades combined decreased from 31% to 26% of total grades.

As we saw in the previous section, though, at New Zealand universities it is only As that have increased their share of total grades over the last couple decades, with the shares of Bs and Cs both decreasing slightly. That means that grade compression at our universities has largely meant more students being classed in the top assessment category (A) rather than the top two, as at English universities.

Figure 6: As vs. other grades as a percentage of all grades awarded at New Zealand universities, 2006-2024



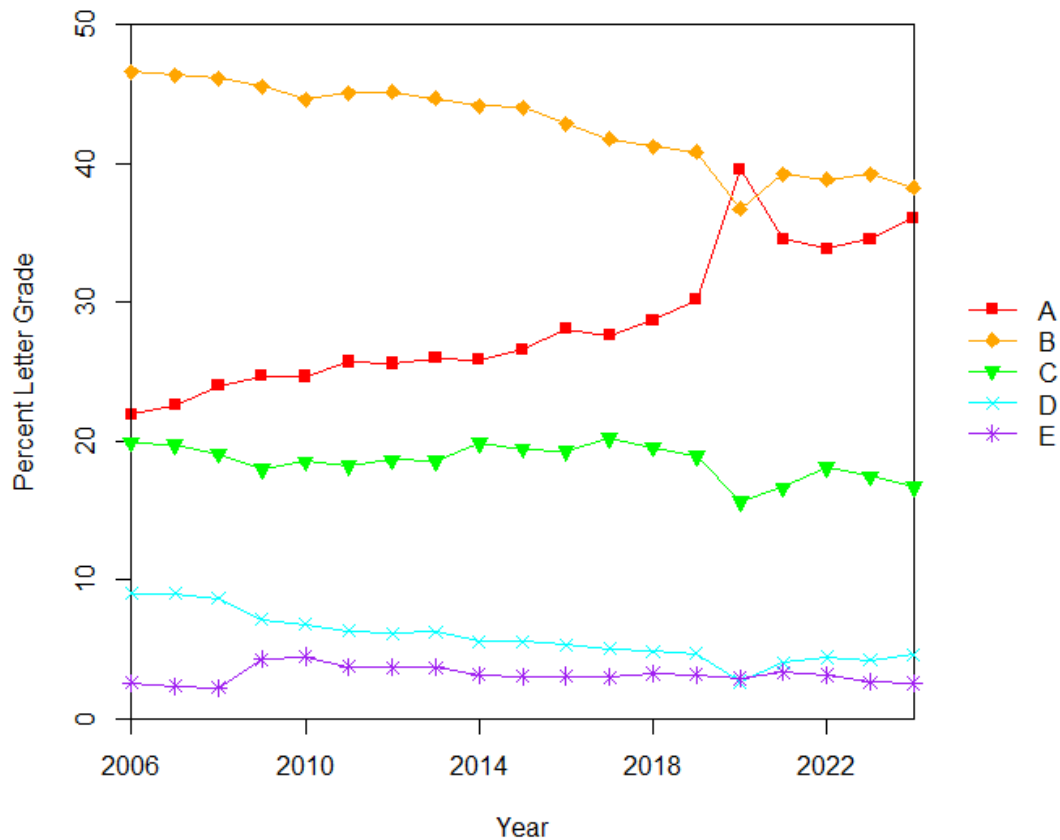
Source: University records via OIA requests

This is supported by Figure 6, which shows the growth in As as a percentage of all grades as well as the declining share of other (non-A) grades. As we have already seen, the percentage of As grew from 22% to 36% during this period. But it is also worth noticing that this brought with it a decrease in all other grades from 78% to 64%. What we have here, then, is a decline in the variety of grades awarded – grade compression in action.

The As have it

As we saw in Figure 3, As are the most common grade at colleges in the US, and have been since the late 1990s. As Figure 7 below shows, As were not quite the most common grade at New Zealand universities in 2024.

Figure 7: Percentage of grades in ranges A to E at NZ universities, 2006-2024



Source: University records via OIA requests

At our universities, Bs are still the most common grade (at least as of 2024). However, the trend over the last twenty years is that As have been slowly catching up with Bs. They even temporarily overtook Bs during the COVID period. And they are now on track to overtake Bs again within the next few years – perhaps permanently this time.

This gives us a good sense of where we are in comparison to US colleges: about a quarter of a century behind. If nothing changes, As will soon be the most common grade at our universities, as they have been in the US since the turn of the millennium.

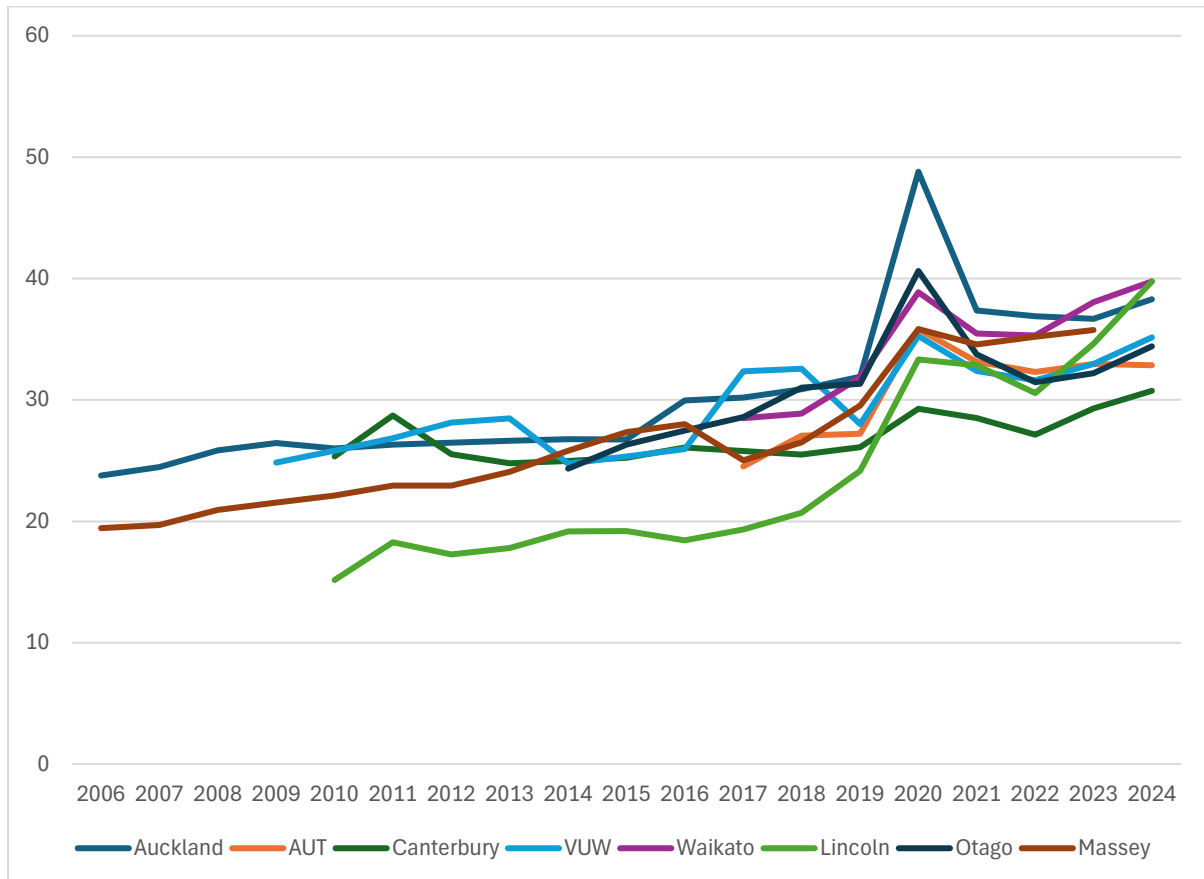
This should serve as a wake-up call to educational policy-makers in New Zealand. Unless some of the measures we recommend in the final chapter of our report are implemented, our universities will be in the same situation as colleges in the US, where grade inflation has long contributed to decreasing public confidence in universities.⁶

⁶ See e.g. Steven Mintz, “Higher education’s trust deficit,” *Inside Higher Ed* (3 June 2024).

Appendix: errata

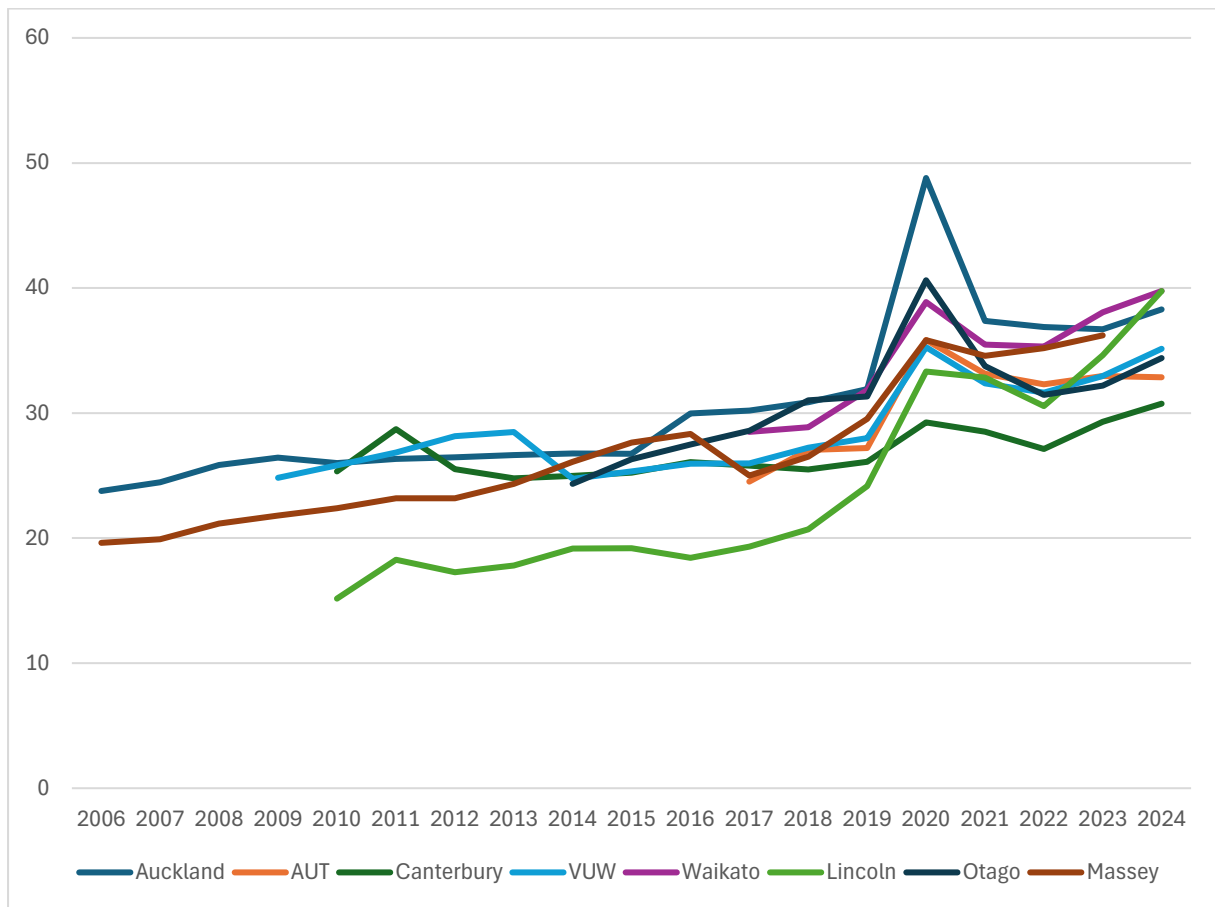
In our report we mistakenly included the 'continuing' category in our totals when calculating the percentage of As (though not the pass rate) for Massey. We excluded this category in our calculations for this research note. The resulting difference is extremely small, as the virtually imperceptible change in the Massey line in Figures 8 and 9 demonstrates.

Figure 8: Percentage of A-range grades at New Zealand universities, 2006-2024 (report)



Source: University records via OIA requests

Figure 9: Percentage of A-range grades at New Zealand universities, 2006-2024 (corrected)

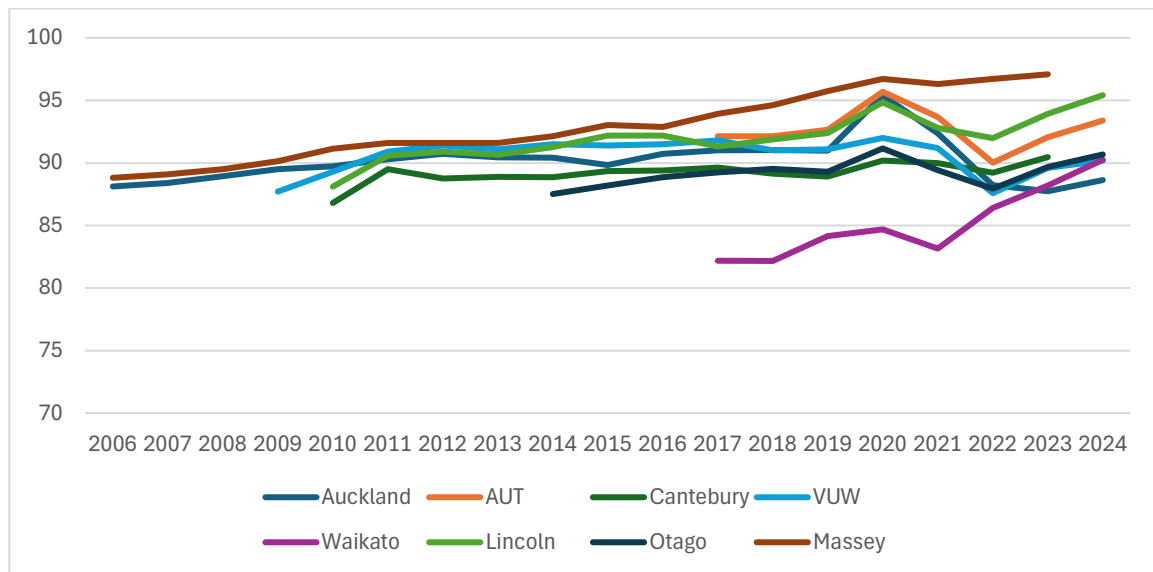


Source: University records via OIA requests

Figure 9 also integrates a mistake we made with the VUW figures. A spreadsheet error led to the percentage of As in 2017 and 2018 being miscalculated as 32% and 33%. The true figures are 26% and 27%. Neither of these errors significantly affect any of our conclusions in the report, even if the adjustment in the VUW figures does lead to a noticeable adjustment to our graph of the percentage of A grades over time.

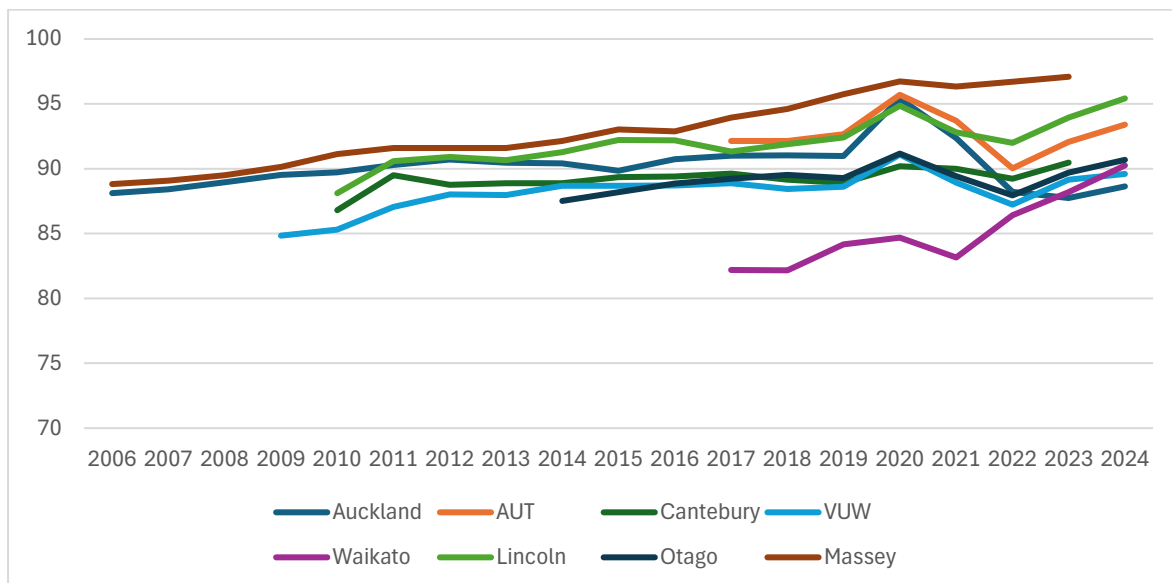
We also made an error while coding the VUW data that led to the Es being added to the C- category, producing artificially high pass rates. In Figure 10, which uses the same figures as in our report, VUW has relatively high pass rates for more of the period. In Figure 11, which uses corrected figures, VUW has some of the lowest pass rates.

Figure 10: Percentage of pass grades at New Zealand universities, 2006-2024 (report)



Source: University records via OIA requests

Figure 11: Percentage of pass grades at New Zealand universities, 2006-2021 (corrected)



Source: University records via OIA requests

The New Zealand Initiative is an independent public policy think tank supported by chief executives of major New Zealand businesses. www.nzinitiative.org.nz | +64 4 499 0790 | info@nzinitiative.org.nz

Views expressed are those of the author/s and do not necessarily reflect the views of The New Zealand Initiative, its staff, advisors, members, directors or officers.