

AUSTRALIA'S EDUCATION CHOICES

A REPORT TO
THE MENZIES RESEARCH CENTRE

PROFESSOR BRIAN CALDWELL
JOHN ROSKAM

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1. INTRODUCTION

Fundamental reform to Australia's schools is required.

School education policy is of vital importance to our nation and its people. If Australians are to make the most of their life opportunities it is essential that they gain a quality education. By many measures this country's government and non-government schools have been remarkably successful. But this success can no longer be guaranteed. In recent times there have been signs that the system might be starting to fail in the face of a new range of challenges. The system of school education instituted at the end of the nineteenth century may not be appropriate for the twenty-first.

Australia has a series of seemingly intractable problems in school education: concern over standards; increasing disparity in educational achievement among different groups of students; unrelenting division in views about approaches to funding; dispute about the roles of Commonwealth and State governments; and a general perception that funding for schools is insufficient to satisfy expectations.

These problems are described as intractable because no solution is in sight or seems possible within the current framework. Fundamental change is required.

Many areas of public policy are undergoing change.

In the 1980s and 1990s Australians recognised that if the nation was to continue to prosper economic and industrial change would have to be undertaken. The fact that there was very substantial economic transformation has allowed the standards of living for all Australians to continue to improve. We faced the future with confidence, we were prepared to innovate, and the benefits followed. Many areas of public policy in Australia are undergoing profound change and education is no exception.

The Menzies Research Centre as a part of its commitment to encouraging policy debate commissioned the authors to consider both the current and future state of school education in Australia. The purpose of this report *Australia's Education Choices* is to stimulate a consideration of options for reform.

2. WHAT COULD HAPPEN IF WE DON'T REFORM

If the community does not respond to the challenges of the future the following scenario may eventuate.

A pessimistic scenario for education.

It is 2010. The disparities among schools in terms of outcomes and resources that were evident in 2002 have widened, especially but not exclusively at the secondary level. About 60 per cent of secondary students attend private schools, reflecting a steady increase from about 30 per cent at the turn of the century. Parents became increasingly dissatisfied with education offered by schools owned by government and other public authorities. They left the system and invested ever-larger proportions of their personal resources to assure their children success in a knowledge society, with access to the individual care, attention and the increasingly rich range of technologies necessary to achieve that success. Most government schools are now simply 'safety net' schools.¹

A scenario along these lines is not the daydream of idle academics. An OECD conference on 'Schooling for Tomorrow' in 2000 pondered just such a scenario.² That the OECD is prepared to contemplate such a situation is evidence that education, especially public education, has reached a watershed and that transformation is inevitable if expectations are to be realised. Another alternative scenario is more optimistic.

An optimistic scenario for education.

It is 2010. The disparities among schools in terms of outcomes and resources that were evident in 2002 have narrowed. There is agreement on expectations for schools and the values that should underpin the endeavour. Governments concentrate their efforts on creating a climate in which the whole community provides resources to support schools, with a demanding framework for accountability in the use of a steadily increasing pool of public funds. There is a range of innovative approaches to community-based learning centres and in the use of information and communication technology. There is still a place called school, but that place has been transformed after a decade of creative leadership.³

¹ Caldwell 2002.

² OECD 2001b: 119.

³ Caldwell 2002.

3. PRINCIPLES OF REFORM

The following principles should guide policy-making for school education in Australia in the twenty-first century.

Aims of school education policy.

1. The aim of policy for Australia's schools must be to achieve the following:

Quality	All students have the opportunity to gain a quality education.
Equity	Students with similar needs will be treated in the same manner in the course of their education.
Choice	Parents and students should have the right to choose a school that meets their needs and expectations.
Autonomy	As many decisions as possible should be made by communities and parents.
Efficiency	Resources should be allocated wisely to optimise outcomes.
Accountability	Schools and the education system should be accountable to parents and the community.

Quality for all students.

2. Every child regardless of background or circumstance should have the opportunity to gain a quality education. It should be a priority of education policy to reduce disparities in achievement between students, especially those related to differences of gender, geographical location, and socioeconomic status, and between indigenous and non-indigenous students.

The right to choose for parents.

3. The right of parents to choose the school for their child, and to choose between schools in the government system and the non-government system should be recognised in legislation by Commonwealth, State and Territory governments.

Information to parents and the community.

4. There should be a national testing program to provide parents, schools and the community with information about the achievement of students, schools and the nation's education system. Such a program would allow comparability between states and between schools. All schools should provide to parents an annual report detailing the educational achievements of the school and its students according to the national testing program.

Self-management of government schools.

5. Parents and communities should have the opportunity to manage publicly-funded government schools freed of most of the existing bureaucratic constraints, but fully accountable for their educational outcomes.

This would allow all schools, particularly those educating students that are educationally disadvantaged, the potential to become self-managing schools.

The development of teaching as a profession.

6. The employment of teachers should be deregulated, with schools and teachers being allowed to agree on the terms and conditions of employment. However, teachers would be expected to meet standards of accreditation and re-accreditation that would match the best in other leading professions.

Funding as an entitlement for all students.

7. The financial assistance provided by Commonwealth, State and Territory governments to parents for the education of their children should not be determined, as occurs presently, according to whether the parent chooses a government or non-government school. Rather, children in similar economic circumstances and with similar education needs should receive the same amount of government funding regardless of whether their parents choose a 'government' or a 'non-government' school.

It is simply not possible to reconcile a commitment to choice and a commitment to 'free' school education without providing an equal amount of government funding to students with similar educational needs.

The financial assistance provided by government to fund students' education should at the option of parents, be payable either directly to parents to be spent at the school of the parent's choice or be paid directly to the school.

The amount of government support for students' education should be based on the average cost of educating a student at a government school adjusted upward where required according to a schedule of costs based on educational need.

Parental contributions to tuition fees and educational expenses should be tax deductible.

Agreement between the levels of government.

8. The current system of divided accountability of schools to both the Commonwealth, and State and Territory governments should be replaced by a legislated agreement between both levels of government to share responsibility for school funding.

4. THE CHALLENGES FOR AUSTRALIA'S SCHOOLS

Six specific policy areas relating to the structure and management of schools can be identified as challenging Australia's education system in the coming decade. The intention is to deal with matters of structure and management that are directly concerned with the intractable problems identified at the outset. It is acknowledged that central to the creation of a truly outstanding system of education is the quality of learning and teaching and the nurturing and support of the best professionals.

4.1 Standards and Equity

a) Australia's Success

A fundamental tenet of this report is that the outcomes of schooling should be measured against the achievements of both the highest and the lowest performing students. Parents and the community are entitled to expect that all children achieve to the highest standard possible.

Some of our students are among the world's best.

Many Australian students are among the highest achieving in the world, and their performance is above the average of other countries. Only Japanese and Korean students consistently do better in mathematics and science.

Table 1 - Country Ranking of performance of 15-year-olds

Reading Literacy	Mathematical Literacy	Scientific Literacy
1. Finland	1. Japan	1. Korea
2. Canada	2. Korea	2. Japan
3. New Zealand	3. New Zealand	3. Finland
4. Australia	4. Finland	4. United Kingdom
5. Ireland	5. Australia	5. Canada
6. Korea	6. Canada	6. New Zealand
7. United Kingdom	7. Switzerland	7. Australia

Countries ranked according to mean performance on PISA. Statistically significantly higher performances than Australia's are by Finland in reading, Japan in mathematics, and Korea and Japan in science.

Source: OECD 2001a Figures 2.4, 3.2, 3.5.

At one level our education performance is pleasing when we compare the performance of our best students with those in other countries, but at another it can be concluded that Australia's schools are failing a significant proportion of our students.

According to the OECD:

The goal of public policy in education must be to provide equal opportunity for all students to achieve their full potential.

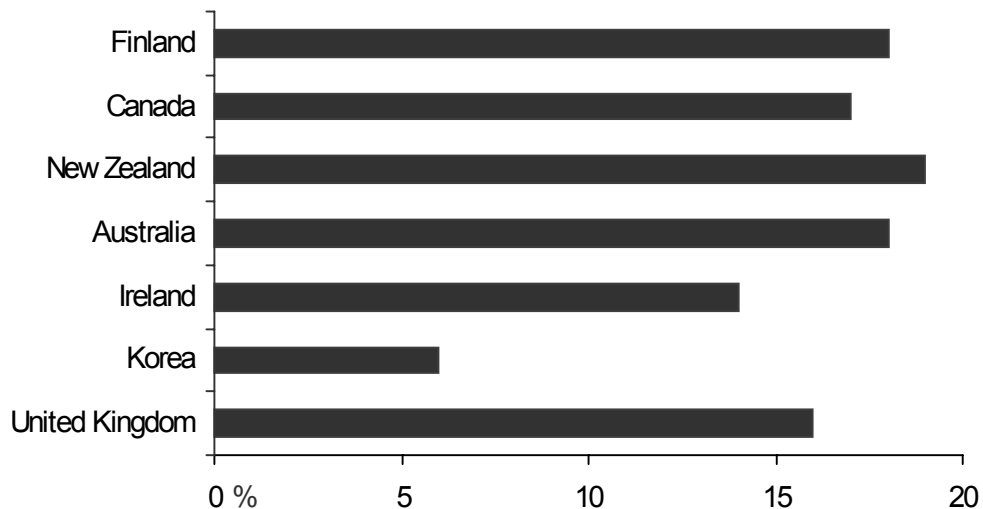
While reaching this goal can be frustrated by the strong impact of home background factors on student performance, the fact that the impact differs greatly between countries gives rise to optimism that greater equality in educational opportunities is attainable.⁴

The OECD's Programme for International Student Assessment

In 2001 the OECD released the results of its *Programme for International Student Assessment* ('PISA'). The PISA study is the most detailed international analysis ever undertaken to assess student performance and collect data on student, family and institutional factors that can explain differences in performance. It measured the reading, mathematical, and scientific literacy of 265,000 15-year-olds in 32 countries during 2000, with 6,200 students from 231 schools in Australia participating.

As shown in Figure 1 Australia has one of the largest proportions of students achieving the highest level of reading literacy. Only New Zealand and Finland have a greater percentage of students achieving at the highest literacy levels. Such outcomes are consistent with other data such as that of the National Literacy and Numeracy Plan which showed that 86.9 percent of Australian Year 3 students achieved the agreed minimum national standard in reading.⁵

Figure 1 - Percentage of 15-year-olds performing at the highest level of reading literacy



Percentage of students achieving PISA Level 5 proficiency on combined reading literacy scale for seven highest ranked countries. Source: OECD 2001a Table 2.1a.

⁴ OECD 2001a:156.

⁵ Kemp 2000.

b) Disparities in achievement

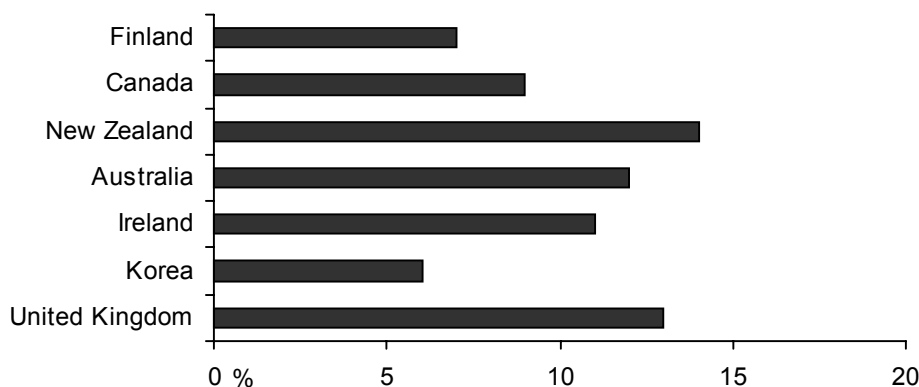
The results of the PISA study, shown in Figure 2 indicate that 3 percent of Australian 15-year-olds would be regarded as not having basic literacy skills, with an additional 9 percent experiencing severe reading difficulties.

The importance of literacy skills

The failure to acquire literacy skills has an impact not only on individuals themselves but on the community as a whole. We should be especially concerned about those students with low literacy levels because it is likely that these students will have difficulty making up for their learning gaps later in life. Job-related continuing education and training often reinforce the skill differences with which individuals leave their initial school education.

Adult literacy skills and participation in continuing education and training are strongly related. Literacy skills and continuing education and training appear to be mutually reinforcing, with those adults most in need of training the least likely to undertake it.⁶ It also appears that higher variation in literacy of a population is closely related to income inequality within that population.⁷

Figure 2 - Percentage of 15-year-olds performing at the lowest level of reading literacy

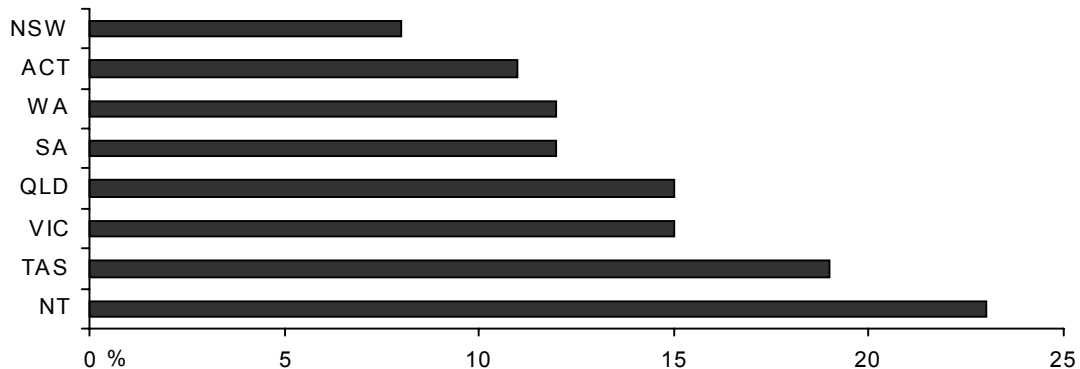


Percentage of students in seven highest ranked countries achieving PISA Level 1 or below proficiency on combined reading literacy scale.
 Source: OECD 2001a Table 2.1a.

The outcomes of students according to their State or Territory (Figure 3) reveals wide differences, and is of concern if an aim of education policy is to provide equal opportunities to students regardless of where they live.

⁶ OECD 2001a: 48.
⁷ OECD 2001c: 320.

Figure 3 - Percentage of 15-year-olds performing at the lowest level of reading literacy

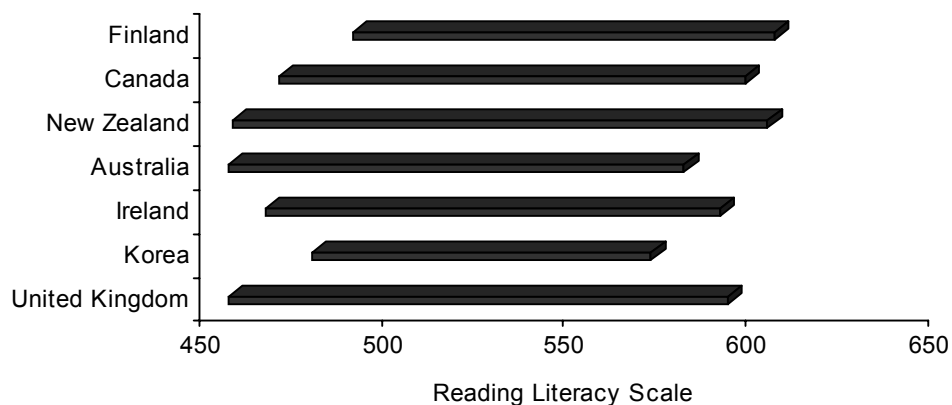


Percentage of students achieving PISA Level 1 or below proficiency on combined reading literacy scale.
 Source: Lokan, Greenwood, Creswell 2001 Figure 5.4.

Differences between levels of student performance.

In countries such as Finland and Korea the difference between the best and worst performing students in reading is relatively small. Among the countries with the best performing students Australia has one of the highest range of student achievement between students as demonstrated in Figure 4 by the length of the range of achievement.

Figure 4 - Range of student achievement

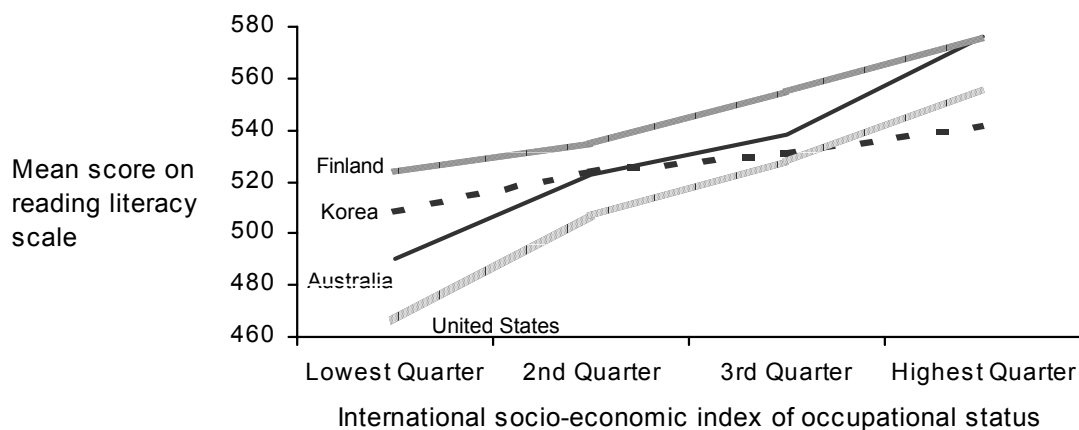


Variation between the mean score on the PISA combined reading literacy scale for students between the 25th percentile and the 75th percentile of the seven highest ranked countries.
 Source: OECD 2001a Table 2.3a.

Not surprisingly the OECD's PISA survey showed that student performance is closely related to the socio-economic background of their families (Figure 5). This relationship is quite strong for Australia.

Families' socioeconomic background is a stronger predictor of educational success for Australian students than it is for students in many other countries.

Figure 5 - Relationship between reading literacy and socio-economic status



Performance on the combined reading literacy scale, by national quarters of the international socio-economic index of occupational status.

Source: OECD 2001a Table 6.1a.

Evidence of education disparity in Australia.

A range of other indicators could be provided as further evidence of the educational disparity that exists between groups of students in Australia, whether between indigenous and non-indigenous students, or between students from city and regional areas. For example, 34 percent of indigenous students in Year 3 fail to achieve the national literacy benchmark compared to the percentage for all students of 13 percent.⁸ In the PISA study, 35 percent of indigenous 15-year-olds performed at the lowest reading standards compared to 12 percent for non-indigenous students.⁹ Rates of Year 12 completion likewise reveal significant differences. Females in capital cities have a Year 12 completion rate of 75 percent compared to boys in rural and remote areas of 55 percent.¹⁰ Students from a high socioeconomic background have a 78 percent completion rate compared to those from a low socioeconomic background of 61 percent.¹¹ Differences in participation in vocational education and training for those students that do not complete Year 12 are also very apparent. 35 percent of students from a low socioeconomic background undertake some form of vocational education and training compared to 43 percent for those of higher socioeconomic background.¹²

⁸ Kemp 2000.

⁹ Lockan, Greenwood, and Creswell 2001: 127.

¹⁰ SCRCSSP 2002: 83.

¹¹ SCRCSSP 2002: 82

¹² Ball and Lamb 2001:10.

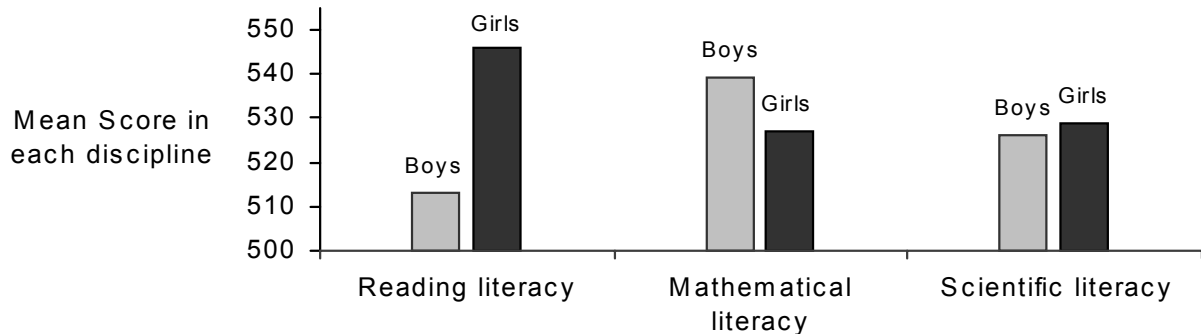
A review of post-compulsory education and training in Victoria concluded:

Victoria's and Australia's education and training for young people is mediocre, by international standards. Our levels of participation are poor, and the patterns of outcomes are too strongly skewed against certain groups and geographical regions. The linkages between education and training, employment and industry, and other support and safety net resources are weak. There is a lack of coordination between parts of the education and training systems, and there is a need for stronger and clearer vision. The system lacks accountability for all young people: many 'fall through the cracks'.¹³

Girls perform significantly better than boys.

Among the countries surveyed in the PISA study, Australia had one of the largest differences between the average scores of boys and girls in reading literacy. Not only do girls perform better at reading than boys (Figure 6), but a higher proportion of boys experience reading difficulties. In the PISA analysis 16 percent of Australian boys performed at the lowest levels of reading literacy compared to 8 percent of girls, although boys perform slightly better than girls in tests of mathematical literacy.¹⁴

Figure 6 - The performance of boys and girls in Australia



Mean score in combined reading, mathematical, and scientific literacy scales by gender. In reading the difference was statistically significant.

Source: OECD 2001a Table 5.1a.

These differences are consistent with the findings of testing conducted under the National Literacy and Numeracy Plan which showed a 5 percent gap between the achievement of boys and girls.¹⁵ Explanations for such a variation are now an important area of current educational research.¹⁶ Significant variances between boys and girls are also

¹³ Kirby 2000: 7.

¹⁴ OECD 2001a: 278.

¹⁵ Kemp 2000.

¹⁶ For example Rowe 2002.

reflected in indicators such as retention rates. In 2000 the retention from Year 10 to Year 12 for boys was 72 percent while for girls it was nearly 85 percent.¹⁷

Some might contend that the wide disparities in student achievement are inevitable, given that Australia has a greater diversity of cultures than most other nations and the geographical dispersion of the population has few counterparts. But such excuses are unacceptable if we wish to provide a quality education for all students.

Sections of our population that have chronically under-achieved need to be assisted to reach acceptable standards for the beginning of the 21st century. Our most able need to be challenged to equal the best in the world.

The quality of schools does matter.

There is now the ability to identify those students in need of additional assistance, and increasingly the community is rejecting the long-held view that the scope for schools to help students overcome their disadvantage is limited. As Gannicott has discussed, following the work of James Coleman in the 1960s and 1970s it was believed that student achievement was not determined by the performance of their school, but by the student's intellectual and socioeconomic characteristics. However, there is now 'unambiguous evidence of achievement differences between schools, differences that cannot be explained solely by differences in the quality of the student intake.'¹⁸ It is clear that some schools are more effective than others.

Certainly, family and home circumstances do affect student performance but there is a recognition that education instead of exacerbating disadvantage can help overcome it.

Australian research on factors contributing to student achievement.

In Australia, an important recent report by Marks, McMillan, and Hillman has analysed the role of student background and school factors on tertiary entry scores. The report concluded that previous academic achievement was more significant than students' socioeconomic status:

Of the possible influences here, it is clear that Year 9 achievement in literacy and numeracy has the strongest effect on tertiary entrance performance. Its effect is considerably stronger than socioeconomic background.

A common response to the finding that Year 9 achievement in literacy and numeracy has a strong impact, is that literacy and numeracy is just a reflection of socioeconomic background. This is not the case. The relationship between achievement and socioeconomic background can only be described as moderate. This moderate relationship has also been observed in other studies.¹⁹

¹⁷ ABS 2002: 295.

¹⁸ Gannicott 1998: 1.

¹⁹ Marks, McMillan, and Hillman 2001: 57.

'Zero tolerance' of educational failure.

The policy consequence of this is that schooling should be directed to ensure that *all* students regardless of their background should achieve to a minimum standard. This is the approach adopted by all Australian Ministers for Education in the *National Goals for Schooling in the Twenty-First Century*: '...students should have attained the skills of numeracy and English literacy, such that every student should be numerate, able to read, write, spell and communicate at an appropriate level.'²⁰ Under both the Thatcher and Blair Governments in Britain this has been expressed as 'zero tolerance' of failure.²¹ This can be contrasted with those who emphasise that students should be allowed to gain not the same outcomes but only 'similar or comparable' outcomes.²²

The policy challenges of equity.

An emphasis in education policy on overcoming educational disadvantage contains a number of challenges to prevailing orthodoxy. A major challenge is to the concept of equal treatment to students regardless of actual need. While the principle of additional resources to students in, for example, remote areas has been accepted for some time, if equity is to be achieved, the principle will need to be extended to provide for students according not only to geographic location, but to educational need.

This challenge of how to cater to the different needs of students was recognised in a report commissioned by the then Commonwealth Department of Education, Training and Youth Affairs titled *School Innovation: Pathway to the knowledge society*. The report was the work of a consortium of some of Australia's leading education researchers from four universities. It considered how 107 schools around Australia had used innovation to improve learning outcomes for students. In relation to the issue of how to provide for individual students it noted:

Though there is general awareness that substantial individual differences exist within a typical class of students, the magnitude of the differences is not always appreciated. For example, the reading skills of 10 percent of Year 9 students are likely to be no better than the reading skills of an average Year 3 student (Hill, 1994). Teaching to the average ability level will ensure that struggling students fall further behind. These students require a disproportionate amount of teacher time and school resources.

How schools meet the individual needs of students.

... it is easier to standardise provision rather than to vary it since standardisation can be used to avoid arguments over whether teachers and students are being treated fairly.

Successfully matching instructional programmes to particular students' needs can significantly improve the performance of

²⁰ MCEETYA 1999.

²¹ Gannicott 1998: 46.

²² ACDE 2001: 72.

large groups of students. Ultimately, this leads to demand for additional resources to be directed to enable failing students to reach benchmarks. The differential allocation of resources has implications at every level of schooling...Ultimately, however, schools must have control of their budgets, particularly the largest element that is teacher salaries, to be in a position to redirect them. Critical to the capacity of schools to redirect resources to support innovative practice and organisational arrangements is control over the recruitment, selection, and appointment of staff.²³

Support for the conclusion that increased attention should be devoted to cater for the needs of individual students within a class comes from the results of the PISA study which indicated that Australia had the third highest rate of difference of student performance within individual schools, indicating a wide divergence of teaching effectiveness between schools.²⁴

4.2 Choice as a means of improving education quality

**Choice,
parental satisfaction,
and academic
achievement.**

In Australia there has always been an ambivalence about choice and competition in education. This section is about choice while the next discusses competition although, of course, the two concepts are related. A close examination of what actually occurs where choice and competition exist, reveals that concerns that such concepts are harmful and will lead to 'sink' schools, drained of the best students, are unfounded.

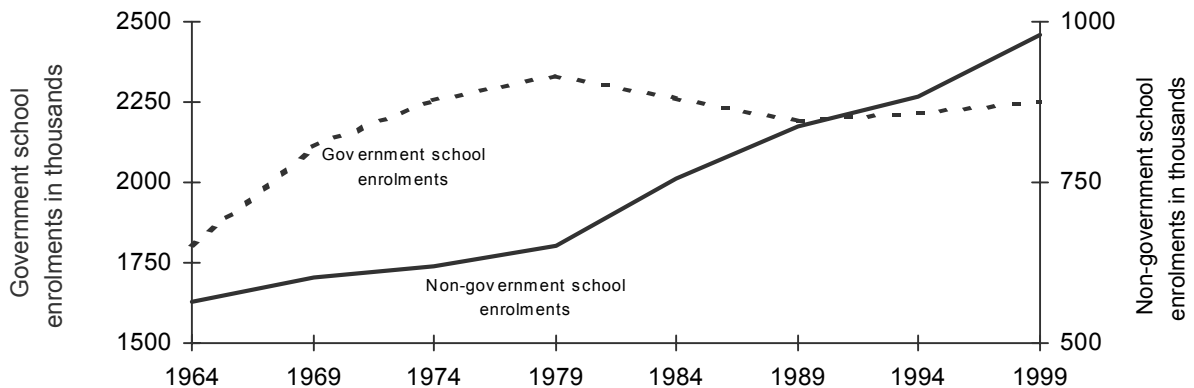
Choice and competition provide the opportunity for higher levels of parent satisfaction with schooling, better academic achievement, and the reinvigoration of government schools. School choice as a principle is recognised in the United Nations *Universal Declaration of Human Rights* which provides under Article 26(3) that 'Parents have a prior right to choose the kind of education that shall be given to their children.'

The challenge for schools in Australia is how to deal with the wish of parents to choose their child's school. The desire for parental choice can be reliably forecast to grow. As shown in Figure 7 although the government school sector does have many more students than the non-government sector, enrolment trends are clear.

²³ Cuttance 2001: 158.

²⁴ OECDa 2001: 61.

Figure 7 - Enrolments in government and non-government schools in Australia



Source: ABS Source: 2001 Table C7.2.

The role of government when schools fail.

In recent years many advocates of 'choice' have reassessed not their commitment to the ideal, but to their concept of what 'choice' can and cannot achieve. A decade or so ago a model was championed that made two assumptions. One, that standards in all schools would be raised if exposed to the influence of the 'market'. Two, that through the exercise of parental choice, under-performing schools would lose students to better schools and therefore either improve or close. Today, a more nuanced approach is urged. This accepts that in some situations under-performing schools (or what are called in the UK 'failing schools') do not exist in an environment in which choice would work as predicted. Many advocates of choice have now come to the conclusion that rather than allowing the school and its students to 'fail', what is required is decisive, intensive government action that either shuts down the school, or radically builds or re-builds its capacity by the appointment of new teachers under different leadership. For the 'market' to act to improve the school might take years, during which time generations of students may have been disadvantaged. This is not to say that exercising of choice cannot act to improve school quality but the means by which that is brought about is more complex than simply through the operation of the 'market'.

a) Factors affecting choice

Parents that do choose their child's school, whether it be in the government or non-government sector, do so for a variety of reasons. In Australia there has been relatively little research on factors influencing parents' education choices. The Steering Committee for

the Review of Commonwealth/State Service Provision established under the Council of Australian Governments concluded in 1997 that choices were based on a combination of academic, religious, and social grounds.²⁵

Parents will exercise school choice by deciding where they will live.

As parents increasingly appreciate the premium that changes in the economy place on quality education, they will seek to choose the best available school for their child. As the number of children in families continues to decline while the wealth of parents increases, parents will have a greater capacity to pay to accommodate their choice in schooling options. Peter Drucker has described the trend in the United States whereby 'middle-class families are spending heavily on the education of their single child, mainly by moving into expensive suburban neighbourhoods with good schools.'²⁶

The importance of academic standards in choosing schools.

Most research on the factors determining parental choice in schooling comes from the United States. Almost universally, parents state that they choose schools on the basis of academic standards.²⁷ While this finding is not contested, there is a great deal of debate as to the extent to which other factors affect choice. Some have argued that parents of low socioeconomic status are more likely to choose schools according to academic standards, while parents of high socioeconomic status are more likely to choose schools that are regarded as having a 'progressive' philosophy.²⁸ Other research indicates that the factors affecting choice may vary according to ethnic background with parents seeking not only academic quality, 'moral values', safety, and 'discipline'.²⁹

Parents do not all seek the same outcomes for their children.

The extent to which these sorts of results would also be found in Australia is debatable, especially given the existence in this country of a large non-government sector with a significant proportion of religious schools. What can be said, however, is that it indicates that there is not any one single factor motivating parents to take their children out of the government system and place them in non-government schools. The American data also indicate that it would be wrong to assume that all parents seek the same outcomes from schooling.

The question of how to respond to the demand for choice, particularly as to how it affects government schools has been appreciated by one of Australia's leading educators, Dr Ken Boston, the Chief Executive of the New South Wales Department of Education and Training:

I think there is complacency amongst many of my colleagues in the department - teachers, some principals, some of us in management positions - we need to really put some effort into analysing the sets of factors that affect that decision (of parents

²⁵ Harrold 2000: 23.

²⁶ Drucker 2001: 7.

²⁷ Teske and Schneider 2001: 613.

²⁸ Teske and Schneider 2001: 614.

²⁹ Weiher and Tedin 2002: 83.

to enrol their children in non-government schools) and sort out a strategy for addressing the issues we identify. What are these people going there for and how can we continue to attract them to stay in the public system ? We have to look at ourselves and say why are they leaving ?³⁰

b) Claims about choice

Arguments against the right of parents to choose their children's school can be separated into those based on principle, and those based on the supposed outcomes of choice.

Should parents be allowed to choose their child's school ?

Opponents of choice have maintained that as a matter of principle education is too important and the choices too complicated to be left to parents. School education should be 'democratically controlled', that is, restricted by the government. The claim is that schooling is unlike any other commodity and the assumptions of the market do not apply - the product is not homogenous, there is incomplete information, a limited number of providers, and transaction costs are high (for example, parents usually only have one chance per year to change their child's school). It is said that the 'choice of a school is more akin to the choice of a family doctor or pastor than to the choice of a car dealer or grocery store.'³¹ Many would argue that it is precisely for these reasons that parents should have a right to choose their child's school.

Do parents makes the best decisions ?

A related position is that parents cannot always be relied upon to make choices for their children that are either in their children's best interests, or in the best interests of society. The assumption is either that parents will not make the best choice, or that they will make bad choices. There are numerous instances of the 'parents don't know best' argument:

Schooling is not a simply described product, like a cake of soap or an automobile, whose characteristics are well understood and whose performance is predictable: its purposes are manifold and often not well appreciated by parents; its benefits are not always recognisable and accrue not at the time of purchase, but over a lifetime. Moreover parents are not generally well informed about the qualities of different schools and cannot be assumed always to act in their children's interests.³²

Giving parents information to make choices.

At one level this argument can be rebutted quite simply by responding with the answer that parents should be provided with the information upon which they could make sound judgements:

If only some parents have the interest or capacity to exercise this choice, then there is no point in hand-wringing and seeking

³⁰ Quoted in Harrold 2000: 23.

³¹ Quoted in Schneider, Teske, and Marschall 2000: 40.

³² Karmel 2000: 6.

to curtail parental choice; the answer is to help more parents gain access to understandable and valid information about schools and help them exercise their choice. The inequities in the past have arisen in part because only the better informed parents have been able to exercise their choice.³³

Two other issues arise from the statement that 'parents cannot be assumed to always act in their children's interests'. The first is the implication that because *some* parents don't act in their children's best interests then *all* parents should be denied choice. The second is that it should be assumed that parents don't act in their children's best interests. Leaving aside the immense consequences that flow from accepting such an argument, it begs the question of who is more likely to act in children's interests than parents.

The claim that as a matter of principle the state has a role not just of ensuring that all children are educated, but also of directing the form of that education, is most often put by those who fear that parental values may be inimical to society's interests. It is said that choice should not be allowed because it places 'the vital decisions about appropriate democratic values beyond the influence of the community, creating an undemocratic "state of families", in which parents have excessive influence over the education of their children.'³⁴ John Stuart Mill countered this position by arguing that government control over the inculcation of values was extremely dangerous. It was 'a mere contrivance for molding people to be exactly like one another: and the mould in which it casts them is that which pleases the predominant power in the government, whether this be a monarch, a priesthood, an aristocracy, or the majority of the existing generation'.³⁵

A comparison of the right to choose with other rights.

These arguments against choice are similar to those regarding the ability of parents to make decisions in their children's best interests - because some might abuse the right, it should not be exercised by any. To maintain such a position is untenable, and the logic of such an argument is extended to few other areas in society. The right to free speech might be abused by some, but the general principle is allowed to stand. Instances of abuse of the right, such as defamation, are dealt with by regulating the particular ill, not by abolishing the right altogether.

Limits on parents' rights.

Few advocates of educational choice have difficulty accepting that all schools, whether government or non-government, can legitimately be required to commit to transmit those values that society regards as

³³ Caldwell and Hayward 1998: 139.

³⁴ Quoted in Gill, Timpane, Ross, and Brewer 2001: 190.

³⁵ Quoted in Hayek 1960: 376.

appropriate. The right of choice relates to parents being able to choose a school of a particular educational philosophy, curriculum, pedagogy and so on. That right does not extend to choosing a school that transmits values antithetical to the prevailing ethos of the society in which it operates. Schools that do attempt to transmit such values should be prohibited from operating, regardless of whether they receive public funding or not.

The *National Goals for Schooling in the Twenty-First Century* makes unequivocal statements about values:

Schooling should be socially just, so that:
students' outcomes from schooling are free from the effects of negative forms of discrimination based on sex, language, culture or ethnicity, religion or disability, and of differences arising from students' socioeconomic background or geographic location.³⁶

c) Outcomes of choice

A justification often given for restricting choice is that it prevents some schools 'skimming' the best students and the 'residualisation' of those schools which lose such students. The argument is put that if some students (perhaps those with the most academic ability, or those whose parents are most likely to be involved in school activities) do not use their local school, then those students remaining will be disadvantaged. Their chance of 'access' to a quality education will be reduced – the remaining students will not have the benefit of being in class with more academically able students, and their school will lose the benefits of involvement from committed parents.

Balancing the rights of children.

Dealing with the theoretical issues first, the claim is that no parent should have any choice because the choice of some parents will negatively affect access for the children of other parents. This elevates the rights of some children over others. For example, a child that is musically gifted, cannot leave her nearest local government school that does not have a specialist music program to attend another government school that does because her departure would lower the quality of her local school's orchestra. On a purely utilitarian basis this might be a legitimate outcome. Although one student is disadvantaged, all the other students in her local school are advantaged by her attendance. Many however, would maintain that this is not a legitimate outcome. A way to a solution in such cases is not to see the situation as 'either/or' - either choice or no choice. A better approach would allow for the exercise of choice and then ameliorate its consequences. The musically gifted student would be allowed to attend the school of her choice, while the remaining students at her local school might be provided with

Taking account of the consequences of choice.

³⁶ MCEETYA 1999.

additional music resources, or it might be accepted that her local school chooses not to have a music program and instead concentrates on another aspect of the curriculum.³⁷

At a practical level the evidence from the United States is that choice programs do not lead to 'skimming', although many choice programs are specifically targeted at non-white, low-achieving students, and students from low socioeconomic backgrounds.³⁸ Charter schools despite critics' concerns have not resulted in either the 'skimming' of students or the 'residualisation' of conventional public schools.³⁹

***Choice for
disadvantaged
families.***

Two important conclusions can be drawn from this. The first is that whether and how student access to education is affected by the operation of choice depends on how choice is allowed to operate. In the United States, the decision has been made to target choice programs to a particular cohort of students and hence 'skimming' and 'residualisation' have not resulted. The second conclusion is that given the opportunity, parents with a lower socioeconomic background will be just as willing to exercise choice as wealthier parents.

Some critics maintain that even if choice does not result in 'skimming' or 'residualisation' it is detrimental as it does not allow for the 'integration' or 'mixing' of students with different backgrounds, and it could lead to 'social stratification'. In Australia there is little evidence to support these claims. The socioeconomic composition of non-government schools is not substantially different from that of government schools.

That non-government schools represent a cross-section of the community is to be expected given that they enrol 31 percent of Australian school students. Critics of non-government schools have claimed them to be bastions of privilege, but the evidence does not support this. While there are non-government schools that most would regard as 'exclusive', these schools make up around 2 percent of the total number of non-government schools.⁴⁰

³⁷ This has been described as the conflict between 'efficiency' and 'equality'. For a discussion see for example, Hargreaves, Heap, Hollis, Lyons, Sugden, and Weale 1999: 259; Plant 1997: 74.

³⁸ Gill, Timpane, Ross, and Brewer 2001: 147.

³⁹ Gill, Timpane, Ross, and Brewer 2001: 154.

⁴⁰ In 2000, prior to the introduction by the Commonwealth Government of a new formula for funding non-government schools in 2001 there were approximately 60 'Category One' non-government schools classified as the wealthiest schools, of a total of approximately 2600 non-government school.

The composition of non-government schools reflects the Australian community.

The conventional wisdom that non-government schools are for the wealthy is challenged by recent data from the 1996 Australian census...These figures indicate that nearly 20 percent of families in the lowest income brackets (that is, earning less than \$26,000 per annum) send their children to non-government schools compared with almost 30 percent with incomes above \$26,000. Of the 6.9 percent of families with children at school and an annual income of more than \$104,000, some 45 percent use government schools only, 47 percent use non-government schools only and 8 percent have children at both types of schools.⁴¹

Outcomes of choice in Britain.

In Britain, what has been regarded as the largest study of school choice in publicly funded schools ever conducted (with data from every secondary school in England and Wales from 1989 to 2000) concluded that:

Our finding in contradiction to smaller studies reported previously, is that the socio-economic stratification of school students declined after the introduction of choice policies. We also show that standards in publicly funded schools rose relative to those of private schools over the same period.⁴²

Effects of choice on poor families.

According to the authors 'the school system in England and Wales is certainly fairer than it was in 1989' but they reject the argument that the findings are solely an outcome of government policy on parental choice. On the other hand, they conclude that 'market forces in education clearly do not lead, necessarily, to the kind of increasing stratification that we had feared' and that choice 'is certainly no worse, and probably a great deal better, than simply assigning children to the nearest schools to be educated with similar children living in similar housing conditions'.⁴³ Further reforms that have encouraged choice 'have worked insofar as they have allowed poor families to attend schools in areas they cannot afford to live in and encouraged schools to concentrate on improving examination scores.'⁴⁴

The values of public education.

A report into the regulation of non-government schools undertaken in 1995 commented that the 'cementing value' of modern Australia was 'tolerance'.⁴⁵ The implication being that if students attended schools in which they mixed only with others of the same race, class, or religion that 'tolerance' might be affected. However, in reality the situation is more complicated. In Australia parents can choose government or non-government schools where gender is the basis of non-integration. Academic ability is also a basis for non-integration in both government and non-government schools, while religion is regarded as legitimate grounds for non-integration, albeit only for non-government schools.

⁴¹ Pascoe 2001: 90.

⁴² Gorard, Fitz, and Taylor 2001: 18.

⁴³ Gorard, Fitz, and Taylor 2001: 22.

⁴⁴ Gorard, Fitz, and Taylor 2001: 21.

***The role of schools
in integrating
students.***

It is clear that the concept of schools having a role in 'mixing' students needs to be substantially qualified. In addition to the grounds already listed society might also accept that parents of a particular ethnic or cultural background may seek a school that is not 'integrated'. A number of Aboriginal and Torres Strait Islander communities are seeking options for their parents 'which they had not had before - the ability to choose an Indigenous environment in which to educate their kids'.⁴⁶ Research conducted among parents whose children attend charter schools in the US indicates that regardless of the parents' race or ethnicity (whether white, African American, or Hispanic) they are more likely to choose schools in which their own group comprises a higher proportion of students than the traditional public school they are leaving.⁴⁷ Reconciling the policy objectives of providing for the integration of students on the one hand, and the right of groups to determine the conditions for the education of their children on the other is difficult.

***Communities' rights
to determine their
schooling options.***

In a democracy, communities do have the right to design options which fit their needs and aspirations - Aboriginal schools, ethnic schools, religious schools and schools which espouse a particular educational philosophy such as Montessori and Steiner schools. Here the operative concepts are not around market choice, but around community autonomy, responsibility, self-government and diversity. A truly pluralistic society has to allow such options, although for the sake of equity these need to be measured against the broader expectations of the new learning. Perhaps, even, with an approach to learning which stresses collaboration over competition, it may be possible to mix and match resources and even programs between public and community-based schools.⁴⁸

Evidence that parents' satisfaction with schooling is higher when they have an opportunity to choose their child's school is unambiguous.⁴⁹ There are also indications that parents from low socioeconomic groups are more likely than others to support and use programs that encourage school choice.⁵⁰

d) School choice and social capital

***Can school
choice build
social capital?***

Robert Putnam and his concept of 'bowling alone' have in recent years made popular the notion of 'social capital' - although the term is not new. 'Social capital' has come to be identified with various components of social systems such as 'obligation, trust, more-developed

⁴⁵ McKinnon, and Walker 2000: 77.

⁴⁶ Quoted in Botsman 2001: 67.

⁴⁷ Weiher, and Tedin 2002.

⁴⁸ ACDE 2001: 124.

⁴⁹ Gill, Timpane, Ross, and Brewer 2001: xiv.

⁵⁰ Teske, and Schneider 2001: 617.

informational channels and networks, and effective sanctions on behaviour that violates norms.' Until Putnam 'social capital' had been regarded as 'neutral', that is, it was thought of as something that would facilitate 'the goals of actors, whether those goals be morally or socially desirable.' However, Putnam and others such as Fukuyama have argued that the creation and existence of social capital should be encouraged as an end in itself. ⁵¹

In *Bowling Alone - The collapse and revival of American community* Putnam writes:

...parental and community engagement are at the centre of current efforts to improve schooling...Critics of "choice" programs fear they will only exacerbate existing educational inequities. Supporters argue that putting schooling into the invisible hand of the free market will improve quality for everyone because schools will be forced to compete on outcomes. While it is too soon to tell which side is right, we do have evidence that if "choice" programs work, their success may turn less on the magic of the marketplace than the magic of social capital. School reform initiatives that encourage kids to attend smaller, more communal schools may have the unintended result of increasing both student and parental involvement in clubs, classroom activities, governing bodies, and education lobbying groups. In this way, education reform could be an engine of civic reengagement, although if only the most engaged parents removed their children to the new schools, thus also removing the "positive externalities" that their engagement produces for other kids, the net effect could be to exacerbate inequality. ⁵²

If Putnam's analysis is to be faulted, it would be on the grounds that he believes that increasing social capital is an 'unintended result' of choice. Many supporters of choice would argue that quite to the contrary, the desire to increase parental involvement in schools is a deliberately *intended* result of choice.

**Decentralisation
to strengthen
democracy.**

Whether school choice can build social capital is an important question. Critics have claimed that measures such as the introduction of choice and devolution of decision-making could reduce social capital - although there is no evidence for such assertions. ⁵³ On the contrary, the movement towards empowering individuals and local communities to make their own decisions is regarded as having the potential to build social capital. In Norway to take just one example, policies allowing communities to participate in school decisions were pursued as a means of 'strengthening democracy':

⁵¹ Schneider, Teske, and Marschall 2000: 224.

⁵² Putnam 2001: 305.

⁵³ Reid 2000: 34.

...decentralisation [was used] as a strategy for strengthening the local culture, local businesses and the local community as a whole. Decentralization made it possible for the local school to design programmes and activities better adapted to the needs of the local community. It was argued that a more flexible and locally oriented school had a positive effect on students' motivation and learning, gave them a feeling of belonging to the local community, and made them aware of the role they had to play in the community.⁵⁴

Research on schools and social capital.

Schneider, Teske, and Marschall have shown that the act of parents choosing a school can generate social capital. They measured social capital within school communities by analysing four factors: membership of the Parent/Teacher Association, the rate of volunteering by parents for school activities, the extent to which parents talked to other parents about school matters, and the degree of trust parents had in teachers to do the 'right thing' for their children. The research compared districts where choice operated with those where it did not. A difficulty in the analysis was in distinguishing the degree to which parents who wished to exercise choice were more likely to contribute to their school in any case. However, it was found that even taking such factors into account 'the act of school choice seems to stimulate parents to become more involved in a wide range of school-related activities that build social capital'.⁵⁵

4.3 Competition

Is competition helpful or harmful?

'Competition' is perhaps the most value-laded term in education policy. Supporters of 'competition' regard it as a means to encourage creativity and innovation in schooling. Opponents see it as having the potential to damage the collegial nature of teaching and education. A key issue is defined by the question: 'Is competition helpful or harmful in efforts to improve learning outcomes for students?' Following many years of debate there is now emerging an important body of research identifying the benefits that can come from competition between schools. There is also evidence that schools can collaborate at the same time as they compete with each other.

Australian research on the effects of competition.

In Australia, the findings of the *School Innovation: Pathway to the Knowledge Society* report indicate that competitive pressures on schools are a significant factor in undertaking innovation. Of schools surveyed 38 percent made reference to the impact of other schools or competitive forces.⁵⁶

The survey results, school research reports and case studies all provide evidence that some of the innovations clearly were responses by schools to a need to better position themselves in the marketplace. Further, their innovations focused on complex

⁵⁴ Karlsen 2000: 527.

⁵⁵ Schneider, Teske, and Marschall 2000: 237.

⁵⁶ Cuttance 2001: 170.

and deep-seated changes in school practice, rather than the superficial public relations exercises that some critics fear are the consequences of market pressures.

However, market pressures alone are not the primary drivers of innovation. Schools were sites of innovation well before the incursion of market thinking into education policy making. Nevertheless, market pressures can provide pressure to innovate.⁵⁷

***International analysis
of competition.***

Analysis of data from the Third International Mathematics and Science Study (TIMSS) involving 260,000 students in 39 countries indicates that in systems where there is competition student learning outcomes are higher.⁵⁸

In short, by setting proper institutions, education policy can favorably affect student performance. By contrast, spending more money within an institutional system that sets adverse incentives will not improve student performance. The only policy that promises positive effects is to create an institutional system where all the people have an incentive to improve student performance.

***Features of school
systems favourable to
student performance.***

The empirical results identify the specific institutional features of the schooling system which are favorable to student performance.

Among these features are:

- central examinations
- centralized control mechanisms in curricular and budgetary affairs
- school autonomy in process and personnel decisions
- an intermediate level of administration performing administrative tasks and educational funding
- competition from private educational institutions
- individual teachers having both incentives and powers to select appropriate teaching methods
- limited influence of teacher unions
- scrutiny of students' educational performance, and
- encouragement of parents to take interest in teaching matters.⁵⁹

A study of competition among secondary schools in Britain in the late 1990s found that schools perform better (indicated by the proportion of students achieving high results in the General Certificate of Secondary Education examinations) in communities where there are a number of perceived competitors. It appears that this outcome is not determined by 'rivalrous' conduct but by the greater stimulus to improve

⁵⁷ Cuttance 2001: 181.

⁵⁸ Woessmann 2000: 69.

⁵⁹ Woessmann 2000: 79.

and maintain the school's position and by the taking up of opportunities for cooperation in matters that improve learning outcomes.⁶⁰

How schools respond to competition.

A research project specifically aimed at identifying the effects of competition in five American school districts concluded that competition can be beneficial but that the degree to which it influences schools depends on the manner in which government authorities manage competition. Policies that attempt to insulate schools from the effects of competition reduce the dissemination of innovative practices:

...we found evidence that school managers respond to competition from other schools. In surveying principals about whether they were changing their school operations in response to competition, we learned that:

- Principals adopt more innovations at their school in direct proportion to the competitive enrollment pressure they feel
- As the pressure mounts, principals try hard to boost efficiency
- As competitive pressure builds, principals are likelier to feel they do not have enough autonomy to run their schools as they judge best.⁶¹

1.4 Responsibility

Making decisions at the local level.

Australia's government school systems exhibit an extraordinary degree of centralisation. Although a generation of modest change commenced in the 1970s, it is only in Victoria, and to a lesser extent in South Australia and Tasmania that measures have been undertaken to create self-managing schools.

Important decisions, including the selection of staff, must be made locally if the needs of each school's unique mix of students are to be addressed. Decentralisation of decision-making is an important factor in accounting for differences of student performance between countries.⁶²

There is division in the community on the matter of funding government and non-government schools. Battle lines are drawn at elections between those who see 'public' as synonymous with government - 'public' schools must be built, owned, operated and funded exclusively from the public purse - and supporters of non-government schools, who believe that their exercise of choice should not require them to pay for their child's education twice: once to government in the form of taxation, which then distributes only a portion to the school of their choice, and secondly in the form of a fee paid to their school of choice.

⁶⁰ Levacic 2001.

⁶¹ Teske, Schneider, Buckley, and Clark 2000: 2.

⁶² OECD 2001a: 212; Woessmann 2000: 79.

The structure of schooling in other countries.

Observers from Britain, Hong Kong, the Netherlands, and New Zealand would be puzzled, for in these nations there are few distinctions in public funding on the basis of who owns and operates the school. In the Netherlands it is unconstitutional to make such distinctions. In Britain schools that would be classified as non-government in Australia are part of the government system to the extent that they are almost fully funded from the public purse. Debates about public and private schools have largely disappeared in these nations, and there should be a determined effort to achieve the same outcome in Australia.

a) Self-management for government schools

A growing body of research supports the conclusion that school management practices that emphasises local accountability and decision-making by principals and teachers are more effective in achieving high student outcomes. For example, a finding of the PISA study was that there are three aspects of school policy and practice that, on average across OECD countries have a statistically significant impact on student performance in reading, mathematical, and science literacy. These are the quality of teaching, teacher morale, and school autonomy as assessed by the school principal.⁶³ Self-management builds on the commitment and dedication of principals and teachers in government schools, and provides the best opportunity for the regeneration of the government school system.

Decentralisation and political parties.

In the context of schooling, policies of either centralisation or decentralisation are not the province of any particular ideology. The assumptions motivating the policies might be, but not the policies themselves. Conservative governments around the western world have both centralised and decentralised curriculum development, and left-wing and labor governments have both centralised and decentralised school management. Political parties in Britain and the United States have been more willing than those in Australia to appreciate this.

The policies of the Conservatives and Labour in Britain.

In Britain until the mid-1990s, Labour had taken the view that a public service should be provided by a public authority with public funds and that these arrangements should be exclusive. An ironclad commitment to comprehensive schooling offered by the publicly owned and operated schools of local education authorities was the prescribed policy. In contrast, the Conservatives, especially in the Thatcher years, had expressed their unbridled faith in the market, with a preference for the abolition of local education authorities and the creation of freestanding self-governing schools. These were positions based strictly on the old ideologies of Left and Right. Tony Blair articulated the alternative with his advocacy of absolute adherence to core values, but being 'infinitely adaptable and imaginative in the means of applying those values'. There

⁶³ OECD 2001a: 204.

should be 'no ideological pre-conditions, no pre-determined veto on means. What counts is what works'.⁶⁴ The reassessment of the value of political labels as applied to education policy is paralleled in a number of other public policy areas, notably social welfare.⁶⁵

On assuming office in 1997, Prime Minister Blair kept most of the Conservative policy framework assembled in the 1988 *Education Reform Act*. While it abandoned the self-governing approach that had attracted only five per cent of schools under the Conservative's opt-in scheme, it maintained national curriculum frameworks and encouraged a higher level of decentralisation of funds to the local level, being content with self-management rather than self-government.

Education and local politics in the United States.

In the United States education policy is refashioning the political landscape in America's cities:

The hallmark of the new politics of education is a reconfiguration of alliances that turns traditional American politics on its head. The liberal coalition has long been the vanguard of change on behalf of the poor, and it has been their representative in politics. But in the case of vouchers, it finds itself defending demonstrably bad inner-city school systems against demands for reform by the very constituents it claims to represent - while these constituents, for lack of any other option, are driven to seek support from new conservative allies. These battle lines are politically embarrassing for the liberal coalition. They are also threatening: for under the right conditions, the alliance between conservatives and urban poor stands to be a very powerful force indeed.⁶⁶

Education reform in Australia in the 1970s.

Many of the reform proposals involving community and parental involvement (that are today in Australia labeled as 'neo-liberal' and 'economically rationalist') are the same proposals that 20 to 30 years ago were being championed as radically left-wing. In the 1970s in Victoria the policy of the socialist-left aligned teacher unions was 'to take schools towards a school-based management involving teachers, parents and students.'⁶⁷

Reform in Victoria in the 1980s.

It is important to record that the first significant moves towards self-management for government schools in Australia were undertaken not by a Coalition Government but by a Victorian Labor Government. Following from the Whitlam government's *Report of the Interim Committee of the Australian Schools Commission* (the 'Karmel Report') which recommended the decentralisation of schools' administration,

⁶⁴ Midgley 1998.

⁶⁵ Roskam 2001a: 284.

⁶⁶ Moe 2001: 33.

⁶⁷ For example Hannan 1985.

the Cain Labor government elected in 1982 gave school councils broad policy powers and the capacity to approve school budgets. These measures built on amendments to Victoria's *Education Act* made in 1975 which gave school councils legal status and increased their financial and policy responsibilities.⁶⁸ In 1986 a report commissioned by the Cain Government's Education Minister titled *Taking Schools into the 1990s* recommended taking this process further. It is worth directly quoting directly from the report.

**Victoria's proposals
for school
self-management.**

It is now time for a new and major step to be taken to support and extend the continuing process of devolving responsibility for education to schools.

Although school councils carry the responsibility for deciding on school curriculum, they have not yet been given the degree of control over resources necessary to facilitate and enhance their performance of this overriding function.

In summary the major benefits to the school system will be to:

- allow schools to develop a teaching staff which is responsive to the needs of the local community, supports the educational directions of the school and has the skills to provide a wide range of educational experiences for students
- give flexibility to the schools in the way they spend their budget, so that the school can implement its decisions and not be controlled by someone remote from the local scene
- place resources where decisions are made and thus remove the need to make submissions to a central system that takes time to authorise new initiatives
- add real decision-making powers to school councils to make the contributions of time and effort from parents and local people more meaningful and fulfilling and make it easier for voluntary people to commit their time...⁶⁹

Schools were to receive a single grant, which was to be weighted according to the educational needs of students. From that grant was to be paid all items related to school operations including teacher salaries. Schools would be able to determine their own staffing levels, select and promote teachers, and decide on resource allocations between curriculum areas.⁷⁰

It is history that when these proposals reached the Victorian Cabinet, the Victorian teacher unions used their influence to 'crush the idea'.⁷¹ The reforms undertaken by Don Hayward as Education Minister in the Kennett Government would not have been possible had not many of

⁶⁸ SCRCSSP 1998: 7.

⁶⁹ Ministry Structures Project Team 1986: 5.

⁷⁰ Ministry Structures Project Team 1986: 11.

⁷¹ Pascoe, and Pascoe 1998: 6.

Principals' views of self-management.

the principles of school self-management been first established under the previous Labor Government. These reforms were not reversed when Labor came to power in Victoria in 1999, and were endorsed the following year with the finding that 'schools have used the freedoms associated with a high degree of self-management to align their resources and their educational objectives effectively.'⁷² A survey conducted in 1998 by Victorian principals found that 84 percent gave a moderate to high rating of the extent to which the reform had improved the academic outcomes of their school. Principals specified that there had been improvements in achievement measures, levels of attendance, and the opinions of parents and teachers.⁷³

Self-management can refine and make clear the responsibilities of schools to parents and the community. This is one of the conclusions to be drawn from a two-year research program on school accountability for the Office of Educational Research and Improvement in the US Department of Education. It is not that government schools are not accountable - it is that they are accountable to too many divergent interests. Conventional government schools '...are answerable to so many external parties and for so many different things that staff cannot focus on the core task of providing effective instruction'.⁷⁴

b) What is a 'government' school ?

The importance of academic standards in choosing schools.

The notion of responsibility is in few policy areas as stark as it is in relation to the role of the government in school education. Questions of government responsibility for the education of students and the management of schools are central to school education policy. A persuasive argument is that the fundamental social obligation of government schools is to 'offer an education to all students, irrespective of parental capacity to pay, or their academic or other abilities, their ethnic, religious or cultural background, or their place of residence.'⁷⁵ However, for schools to fulfil this requirement does not require them to be owned and operated by the government.

The historical origins of government schooling.

Comprehensive public education originated in the nineteenth century, at a time of low expectations about schooling. Schools had huge class sizes, rudimentary equipment and a small number of professionally trained staff. Today, public expectations are far higher, running ahead of the capacity of public education to deliver. This has produced widespread confusion and disillusionment about the purpose of State schools. As a recent government report concluded, "it is no longer clear what

⁷² DEET 2000: 19.

⁷³ Caldwell 2000: 50.

⁷⁴ Office of Educational Research and Improvement 2001: 2.

⁷⁵ Morgan 2000: 63.

government schooling stands for. It has come to be represented in the public consciousness as an idealisation of the past which, in some cases, takes little account of current practices.”⁷⁶

Perceptions of the role of government schools.

In Australia, as Angus and Olney have identified ‘the differences between government and private schools are represented in many people’s minds by stereotypes’ which do not reflect reality or the similarities between the sectors. When government school administrators were asked to identify what they regarded as the attributes of government schools, 78 percent responded that they were ‘egalitarian’, 37 percent that the schools were ‘part of a system’, and 35 percent that the schools were ‘free’. Three characteristics of government schools tended to be mentioned in positive terms: ‘egalitarianism’, ‘broad curriculum’, and ‘local intake policies’. The three characteristics that were viewed negatively were: ‘adequacy of school resources’, ‘status relative to non-government schools’, and ‘their ability to establish coherent values systems’. These findings support the argument that ‘...a wide range of views exist among those who currently work in government schools about what government schooling stands for. The trilogy of values - free, secular and open to all - however apt it may have been in the past, no longer constitutes an adequate description.’⁷⁷

What makes a school a ‘government’ school?

A number of criteria could be used to determine whether a school is a ‘government school’. For example, a government school might be classified according to its:

- mission - schools without tuition fees that seek to provide an education to all students without restriction
- administrative arrangements - schools operated by government agencies
- funding - schools that receive all or a majority of their funding from government.

The management of government schools by non-government authorities.

Such issues are not new, or unique to Australia. In the United States, the African American educator Kenneth Clark (whose work influenced the US Supreme Court’s school desegregation decision *Brown v Board of Education*) maintained in the 1960s that identifying public schools by their administrative arrangements was unnecessarily restrictive. He claimed that ‘public schools should be managed by colleges, universities, unions, businesses, industries, the Department of Defence, and other organisations, as well as by conventional public school districts’.⁷⁸

If ‘funding’ was a criterion, nearly every school in Australia would be ‘public’ as many non-government schools gain more than half their

⁷⁶ Latham 2001a: 96.

⁷⁷ Angus, and Olney 1998: 11.

⁷⁸ Office of Educational Research and Improvement 2001: 1.

revenue from government. As a group, non-government schools derive 57 percent of their income from the Commonwealth and State and Territory governments.⁷⁹ Under the OECD's definition, Australia's 'non-government schools' are not 'non-government' at all but are 'government-dependent private schools'.⁸⁰ A feature of what has always been thought to distinguish government schools, namely that they are 'free', is no longer true as non-compulsory fees at government schools make up a significant element of their budgets.⁸¹

Do the labels have any meaning?

This highlights that the labels of 'government' and 'non-government' school are losing their utility, if indeed they ever had any. There are parallels between what is taking place in school education and other services predominately supplied by the government. Is a road used by the public but which is owned and operated by a private company a public or a private road? Is public transport still 'public' if run under contract from the government by a private operator

A useful summary of the main functions believed to be performed by the conventional government-controlled system of schooling in the United States is equally applicable to Australia. Government-controlled schools are perceived to guarantee :

- access - government schools provide access to free education for all children
- integration - in the interests of harmony and tolerance all students should be educated together so that they can 'mix' with students not like themselves
- socialisation - government schools teach democratic values which are not taught at non-government schools.⁸²

Finally it is maintained that the government school system has been successful and should not be changed.

Does 'public education' have to be delivered by the government?

Even if the stated purposes of public education are accepted, nothing requires school education be delivered directly by the government in the form that it currently is, and there is no evidence that a system allowing greater choice cannot accommodate 'civic values' (and indeed it may strengthen them). Further, the concept of 'public education' in Australia bears little relation to reality and ignores the disparities of opportunity that currently exist within and between government schools.

It has been remarked that 'there have not been many formal theoretical defences of the democratic value of public education; its defenders

⁷⁹ SCRCSSP 2002: 61.

⁸⁰ OECD 2001a: 228.

⁸¹ Meadmore 2001: 120.

⁸² Gill, Timpane, Ross, and Brewer 2001: 24.

have relied largely on rhetorical recapitulations and refinements of traditional common school notions, as well as lamentations about the insidious effects of individualistic market-oriented philosophies'.⁸³ In Australia there are numerous examples of 'rhetorical recapitulations' of the 'unique' nature of government education. For example, 'Public education has a unique responsibility which only it can meet, and that is to create a whole society in which every person is able to navigate the new worlds of work, citizenship and identity.'⁸⁴ This begs the question of what occurs to those of students in non-government schools.

The 'socialisation' objective of education.

The 'socialisation' objective of schooling is controversial, for it accepts that not only are students to be imparted knowledge and skills, but they are also to be inculcated with particular *values*. It can be accepted by both supporters and opponents of choice that there are basic, core values which should be communicated to students, regardless of the type of school they attend. The problem is agreeing on what those values should be.

Australia's National Goals for Schooling.

Australia's *National Goals for Schooling* attempt to set out some values, but an examination of them reveals the difficulty of reaching consensus. Some would argue that the *National Goals* instead of setting out a framework of agreed values, represents a series of compromises reflecting contemporary political concerns. The *National Goals* make no mention of students developing a commitment to Australia or its way of life, and students are only to have an 'understanding' and 'appreciation' of Australia's system of government and civic life. There is no acknowledgement of the importance of fundamental human rights such as the right to own property, freedom of speech, or free worship. On the other hand, students are expected to have a 'concern' for the stewardship of our natural environment, and should have the 'attitudes' necessary to maintain a 'healthy lifestyle, and for the creative and satisfying use of leisure time'.⁸⁵ The limitations of the *National Goals* perhaps reflect Australians' notorious ambivalence about our civic and political institutions. An analysis of the *National Goals* also shows that at least on one interpretation there is not a strong emphasis on Australian students being socialised into any set of values (although Commonwealth and State and Territory Ministers for Education have recently commenced a process of determining expectations of student's knowledge of 'civics').⁸⁶

The critique of 'socialisation'.

Debate about the role of both schools and higher education in socialising students has raged in the United States for some decades, culminating in the publication of *The Closing of the American Mind*. According to Alan Bloom:

...education has evolved in the last half-century from the education

⁸³ Gill, Timpane, Ross, and Brewer 2001: 189.

⁸⁴ ACDE 2001: 123.

⁸⁵ MCEETYA 1999: 1.4; 1.7; 1.8.

⁸⁶ SCRCSSP 2002: 95.

of democratic man to the education of the democratic personality. The palpable difference between these two can easily be found in the changed understanding of what it means to be an American. The old view was that, by recognising and accepting man's natural rights, men found a fundamental basis of unity and sameness... The recent education of openness has rejected all that. It pays no attention to natural rights or the historical origins of our regime, which are now thought to have been essentially flawed and regressive. It is progressive and forward-looking. It does not demand fundamental agreement or the abandonment of old or new beliefs in favour of the natural ones...when there are no shared goals or vision of the public good, is the social contract any longer possible ? ⁸⁷

Australian evidence on 'socialisation'.

Evidence for the success or otherwise of the socialisation of Australia's students is difficult to interpret. A 1999 survey of 3,300 Australian Year Nine students in government and non-government schools carried out as part of an international civics assessment showed that half 'did not have a grasp of the basic principles of democracy'. However, 75 percent trust the police and courts, and 77 percent believe that migrants should have the right to maintain their customs. ⁸⁸

Comparing the attitudes of students in government and non-government schools.

International evidence likewise is sparse. One study showed that, even taking account of socioeconomic status students in non-government schools when compared to students in government schools were more tolerant, were more likely to volunteer for community activities, and generally had a higher level of commitment to what was defined as good citizenship. Another study concluded that there were no significant differences in socialisation between conventional government schools and those government schools that were specifically chosen by parents. It also found that students in Catholic schools had the highest levels of community service, but that there was less political tolerance among students in non-Catholic religious schools. In summary while it '...would be a mistake to make too much of these findings...even if the positive findings of Catholic and secular private schools are discounted, opponents of choice will find little here to support their concerns - with the notable exception of the finding of lower tolerance in non-Catholic religious schools.' ⁸⁹

Many in the Australian community would maintain that, in general, the country's system of education, which accommodates some measure of choice through non-government schools, has been 'successful'. On most measures Australia's schools *have* been 'successful'. But past successes are not a guide to future performance. Nor should our recognition of success obscure some basic realities about the system. The ideal of a government school system that provides equal access to all students has not been met.

⁸⁷ Bloom 1988: 27.

⁸⁸ Reported in *The Age* 5 March 2002.

⁸⁹ Gill, Timpane, Ross, and Brewer 2001: 197.

Indeed the very idea of the effectiveness of a 'system' of education is under challenge. A major stimulus to the charter schools movement in the United States is the realisation that by concentrating on the results of the 'system' the outcomes of individual schools are not scrutinised.

Strengthening the performance of individual schools.

By [creating a system of responsibility] for the performance of individual schools, not of system aggregates, chartering makes it less tolerable to have a few bad schools just because the system is doing pretty well on average. Chartering makes every school responsible to mount an effective instructional program and maintain teacher and parent confidence. Chartering deprives schools of the excuse, "we did what we were told and if it did not work it is not our fault."⁹⁰

Current inequalities in the system.

While opponents of parental choice have focused on what *might* occur if choice is expanded, they have ignored the inequality that already exists in the government school system. A growing body of research is beginning to demonstrate that the performance of students in government schools is determined according to where students live. For example, schools in more affluent areas are able to attract better, more qualified teachers than those in less affluent areas, which was a finding of an enquiry into public education by the Victorian Department of Education, Employment and Training.⁹¹ Attempts to measure the extent of differences in funding of New South Wales government schools according to their location have been unsuccessful.⁹² Increasingly the concept of 'locational disadvantage' is gaining attention and ideas such as 'place management' are gaining favour as a way of coordinating assistance to particular areas.⁹³

The phenomenon of parents choosing their residential address according to the quality of local government schools is well-known in Britain and the United States, where it estimated that more than one-third of American parents have exercised school choice by deciding where to live.⁹⁴

In reality, in 2002 there are four main practical differences between government and non-government schools in Australia:

Practical differences between government and non-government schools.

- i) in government schools decisions on resource allocation (especially in relation to teaching resources) are controlled and regulated by a government department
- ii) the staff of a government school are government employees, and the school's assets are owned by the government

⁹⁰ OERI 2001: 4.

⁹¹ DEET 2000: 55.

⁹² Harrold and Buckingham 2001.

⁹³ For example Walsh 2001.

⁹⁴ Tooley 1996: 51; Gill, Timpane, Ross, and Brewer 2001: 118.

- iii) non-government schools can determine their own entry requirements (although whether this any more than a theoretical point is debatable given the existence of government schools that are selective and the increased ability of government school principals to expel students)
- iv) non-government schools can charge parents fees to supplement Commonwealth and State government funding.

Considered on this basis it is difficult to discern the precise characteristics of government schools that 'defenders of public education' are seeking to protect, given that the essential principle that all children should be educated has never been open to debate.

c) The role of the Commonwealth and State governments

The responsibilities of the Commonwealth, State and Territory governments for school education in Australia at the beginning of the twenty-first century are grounded in the debates of the nineteenth century.

The history of Commonwealth involvement in school education.

In Australia until the 1870s colonial governments provided funding to both schools that were operated by the government and by the different religious denominations, the largest of which was the Catholic church. In the 1860s in New South Wales Henry Parkes introduced legislation establishing government control over all schools - government and non-government. As a result of a combination of sentiments, including a desire to improve school attendance rates, a recognition of the importance of universal education, and to some extent anti-Catholic bigotry, efforts were made to bring schooling under government control. Starting in the 1870s colonies established government schools that were 'free', 'compulsory', and 'secular', and payments to non-government schools were abolished.⁹⁵ Non-government schools continued to exist, but they received no government assistance.

'State aid' under Menzies.

The first change to the policy of not providing 'State aid' occurred in 1956 when the Menzies Government in an effort to ease the enrolment pressures on schools in the rapidly growing Australian Capital Territory agreed to pay the interest on loans raised by the churches to construct new school buildings. A few years earlier taxpayers had been allowed to deduct from their taxable income both the payment of school fees, and donations to building funds. Menzies' election policy in 1963 promised to extend Commonwealth assistance beyond the Commonwealth territories by providing grants for science and technical facilities in schools and by providing secondary scholarships. The policy was introduced in 1964 and 'it marked the recommencement of State aid to Church schools after a lapse of almost one hundred years, and broke a long-established Catholic-Labor nexus.'⁹⁶

⁹⁵ Pascoe 2000.

⁹⁶ Crowley 1973: 460.

**Opposition to
'State aid'.**

Menzies did not justify the measure on ideological grounds but on the basis that the general level of science education should be raised. Typical of the arguments against State aid were those expressed by *The Australian* newspaper in 1964 and which continue to be repeated, more or less in the same form, nearly four decades later :

...there may be some sort of argument for State aid on the grounds of social relief, of improving for Catholic children the inferior opportunities to which they are condemned - albeit through their parents' religious conviction, which is strictly their own affair and for which they should surely be asked to pay the bill themselves...The fact is that the greater public schools are a means whereby parents with the money can attempt to give their children a privileged education. Why should the mass of Australian taxpayers be expected to make a contribution to the financing of these schools ?⁹⁷

**'State aid' becomes
bipartisan.**

In 1968 Commonwealth government assistance was provided to fund libraries in non-government schools, and by the mid-1960s state governments also provided some assistance to non-government schools.⁹⁸ The commitment by the Australian Labor Party in its 1972 Federal election policy to increase funding to both government and non-government schools was significant as State aid became bipartisan. From such beginnings has developed a situation of shared but often conflicting responsibility for the funding of schools.

**Current arrangements
for funding non-govern-
ment schools.**

The introduction of new Commonwealth funding arrangements for non-government schools in 2001, whereby need is determined according to a measure of the socioeconomic status of a school's community rather than the school's own resource levels, was controversial and revealed many assumptions and misconceptions about non-government schools. The surrounding debate demonstrated the unsatisfactory nature of a system in which the Commonwealth is perceived as having responsibility for non-government schools and the States and Territories responsibility for government schools. As can be readily seen from Table 2 a not insignificant amount of funding to non-government schools comes from the States and Territories, while the Commonwealth provides nearly \$2 billion to government schools. The Commonwealth, through legislative accountability measures, requires detailed information about the performance of both government and non-government schools, while regulation of non-government occurs under State and Territory auspices.⁹⁹ The introduction of a new range of accountability measures, particularly in relation to literacy achievement are significant steps, although there is still extremely limited information available to parents and the community about the performance of individual schools.

⁹⁷ Quoted in Crowley 1973: 462.

⁹⁸ Pascoe 2000.

⁹⁹ Commonwealth *States Grants (Primary and Secondary Education Assistance) Act 2000*.

Of course, the question of a clarification of the respective roles of each level of government is not new. Schools and stakeholders experience the implications of the uncertainty that such arrangements can at times provide, and there have been calls for the establishment of 'a framework of agreement' between the States and Territories and the Commonwealth.¹⁰⁰ Although the recent history of Commonwealth, and State and Territory relationships on school education policy has at times been difficult there is no reason why the nature of the relationship could not be changed. As suggested in the 'Principles of Reform' in section three one way to achieve this might be through a legislated agreement between the levels of government. The development of a framework for such an agreement would necessitate a fundamental reassessment of the responsibilities of each level of government.

Table 2 - Government expenditure on school education 1999-2000 (\$million)

<u>Government schools</u>	
Commonwealth	1,846
States and Territories	14,747
Total	16,592
<u>Non-government schools</u>	
Commonwealth	2,900
States and Territories	1,195
Total	4,096
<u>All Schools</u>	
Commonwealth	4,746
States and Territories	15,942
Total	20,688

Source: SCRCSSP 2002, Table 3.1

¹⁰⁰ For example, Lonergan and Dunne 2000: 59.

4.5 Funding

Australia's spending on schools is above the OECD average.

The most common ways of comparing education spending between countries are by measuring expenditure as a proportion of Gross Domestic Product, or by calculating the average expenditure per student. On either measure, as shown in Tables 3 and 4, contrary to widespread belief, Australia's total spending on education is at the average of OECD countries, and spending on schools is above average.

Table 3 - Expenditure on educational institutions as a percentage of GDP

	Pre-Schools	Schools	Tertiary	Total
Australia	0.1	3.8	1.6	5.5
Average of OECD countries	0.4	3.7	1.3	5.5

Table 4 - Annual expenditure per student in equivalent US dollars

	Primary	Secondary	Tertiary
Australia	\$3,981	\$5,830	\$11,539
Average of OECD countries	\$3,940	\$5,294	\$9,063

Sources: OECD Analysis, 2001c from 1998 data Tables B2.1c and B1.1

'Schools' includes primary, secondary, and post-secondary non-tertiary institutions. 'Expenditure' includes public and private sources.

Numerous studies have shown that beyond a certain level, increases in education spending do not necessarily provide superior educational outcomes. This is the view of the OECD and researchers such as Woessmann who has concluded that 'no strong positive correlation exists between spending and student performance'.¹⁰¹ Figure 8 shows the relationship between expenditure on school education and reading literacy results of the PISA study.

The 'Schools in Australia' report.

Despite such evidence there still persists the view that simply providing more resources to schools, usually in the form of employing additional teachers, will improve standards.¹⁰² Such attitudes are heavily influenced by what occurred in Australia thirty years ago. Under the Whitlam Government the Australian Schools Commission delivered in 1973 a report titled *Schools in Australia* that recommended substantial increases in spending on both government and non-government schools. Peter Karmel, who chaired the committee that wrote *Schools in Australia* has since commented:

The emphasis...was naturally enough on resources and their assembling to meet a range of school needs. It is common now to claim that *Schools in Australia* was essentially about inputs and paid little attention to outputs and outcomes. This, however,

¹⁰¹ Woessmann 2000: 70; OECD Analysis 2001c: 17.

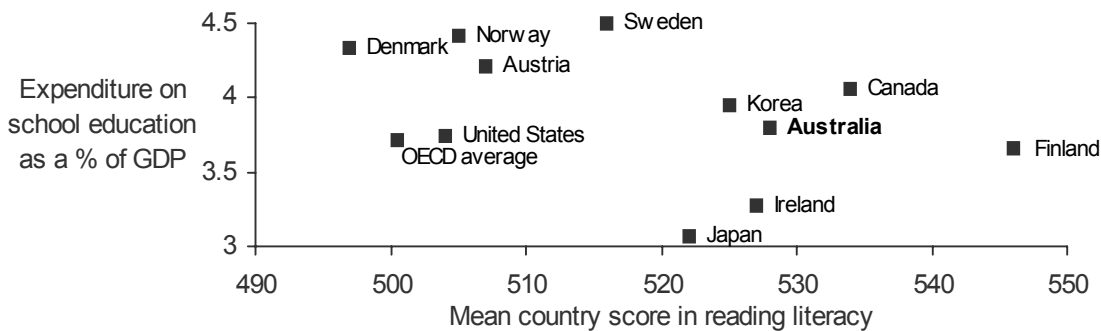
¹⁰² Roskam 2001b.

was not the case. In its chapters on 'Values and Perspectives' and 'Equality of Opportunity', the report gave considerable emphasis to the purposes of schooling, as they affected both the individual and the public interest. However, it is true that the general flavour of the report was that the purposes of school education would be met by providing resources (teachers, ancillary staff, equipment, buildings, support services) in sufficient quantity and of appropriate quality.¹⁰³

Since 1973 the world has changed a great deal. Of the myriad of factors that can be considered when analysing why the approach of three decades ago is no longer appropriate, a number are prominent.

As indicated earlier there is now recognition that *how* inputs are managed at the school level, is as important if not more important than the *level* of those inputs.

Figure 8 - A comparison of education spending and student results



Sources: derived from OECD 2001a Figure 2.4; OECD 2001c Table B2.1c.

Community attitudes on public spending.

While the community still continues to regard education as important there is a declining willingness simply to accept increased government spending as the mechanism for quality improvement. As has been put in the Australian context:

It is no longer sufficient to simply funnel more government money into the traditional institutions. This is an old agenda which the public has grown used to over the past 30 years. It is not likely to mobilise the political enthusiasm and support needed for the creation of a learning society. In any case, the interest groups associated with these institutions have grown tired and predictable.

¹⁰³ Karmel 2000: 3.

They no longer command a significant following in the electorate.¹⁰⁴

Tom Bentley, the director of Demos, a British think-tank, has commented that to create a culture that values the importance of education will require 'releasing ourselves from over-dependence on taxation and public spending...filtered through an expensive and slow-moving bureaucratic system'.¹⁰⁵

Pressures on education spending.

Regardless of any general desire to increase education expenditure, the capacity of the nation to afford to do so is going to be reduced. Estimates prepared for the then Commonwealth Department of Education, Training and Youth Affairs indicate that it 'would appear that the ageing population and rapidly escalating health care costs, represent real sources of upward pressure on health and welfare expenditures and to this extent, are likely to act as a constraint on growth of education expenditures over the longer term.' Spending on schools is expected to decline as a share of GDP from the 4.1 percent it was in 1995-96 to 3.4 percent in 2021. In the same period health expenditure will increase from 8 percent to 11 percent; health costs are already around 10 percent of GDP in several European countries and 14 percent in the United States.¹⁰⁶

The growth in spending on health.

Given what is predicted to occur, a number of options for school funding present themselves - and all are challenging. We must spend what we have more effectively, and we must recognise that in the future further increases in spending on schools are more likely to come from private rather than government sources.

'Lifelong Learning Accounts'.

More effective education expenditure has a number of dimensions. At one level it means considering the actual method of funding schools. It may involve serious exploration of delivering public funding through needs-based entitlements paid directly to parents and then to the school of their choice, or directly to the school. It may also involve empowering individuals to control their own entitlements to education and training in the post-compulsory years, perhaps through methods such as 'lifelong learning accounts'.¹⁰⁷

'Lifelong learning accounts' are worthy of serious consideration for a number of reasons. They would empower individuals by providing them with the financial means to pursue further education and training. Schools, and education and training providers would become more flexible in meeting the needs of students.¹⁰⁸

¹⁰⁴ Latham 2001b: 40.

¹⁰⁵ Bentley 1998: 180.

¹⁰⁶ Aungles, Karmel, and Wu 2000.

¹⁰⁷ Latham, 2001a: 28.

¹⁰⁸ Gallagher 2001.

Learning accounts that were 'lifelong' would foster the development of attitudes that regarded education as something undertaken over a lifetime, and something in which individuals themselves, not just the government, should make an investment.¹⁰⁹

Priorities may need to change to reflect new circumstances.

Pressure for increased spending in areas other than education will challenge many of the orthodox assumptions of education stakeholders. For example, on one side of the political spectrum those that gain a constituency from public sector teacher unions will need to deal with the fact that improved educational outcomes are more likely to be achieved not by continuing to increase the number of teachers, but by paying existing teachers more and ensuring they are better qualified, and other measures to build the capacity of schools.

Debates about funding in Britain.

A re-examination of free public education is currently taking place in Britain. It is argued that having parents pay for their children's education will encourage parental interest in schools. At the practical level the additional revenue raised would be targeted to disadvantaged schools. It is certainly appreciated that this confronts in the British context the 'welfare settlement' of the 1940s under which public services were to be free and were financed out of general taxation revenue. 'The Attlee settlement was predicated upon people being happy with a uniform service of a basic standard. As people have become richer and less deferential they have demanded better services. They are even keen to spend more *money* on services such as health and education - but they remain reluctant to hand the state much more of their income in tax.'¹¹⁰

The 'Principles of Reform' set out at the beginning of this report derive from the issues discussed in this section. Self-management for schools can improve the quality of education available to all students, and as the experience of the United States has demonstrated choice programs can be particularly effective for disadvantaged students. Consideration of increased funding for schools will need to be balanced against the requirements of other areas of social policy, and so it might be that attention turns to ways to an examination of non-government sources of funding for school education. Allowing tax deductibility for education expenses is one such way to generate private investment in education.

¹⁰⁹ Giddens 1998: 125.

¹¹⁰ Seldon 2002: 13

4.6 Teaching

The importance of individual teachers to student learning.

The key to improved educational achievement by students lies in improved classroom teaching. Up to 40 percent of the variance in student outcomes is explained by differences between classrooms in which they are taught – that is, by the quality of teaching they receive. ¹¹¹

The success of Australia's teachers.

The call for a new framework to address a series of intractable problems is not an adverse reflection on the efforts of teachers. Despite the serious disparity of student performance already noted the achievements of Australian students as shown in international surveys is remarkable, given that this nation has a greater diversity of cultures than many other nations, and that the geographical dispersion of the population has few counterparts. The few nations ranking above Australia tend to be relatively homogeneous in their cultural makeup and compact in their geography. The knowledge and skill of Australia's teachers have been instrumental in achieving this nation's high ranking. The profession deserves a new framework of policy.

Teaching is becoming more challenging.

The task of teaching is more difficult now than it has ever been. Expectations of schools and, therefore of teachers are higher and are constantly rising. Schools are tied in to national economic and social goals more tightly than ever before.

There is a very real sense in the community that higher levels of education will deliver greater chances of worthwhile employment. Although retention rates have varied in recent years in general they have been rising, increasing the range of student ability and achievement with which teachers must cope.

a) Attracting quality teachers

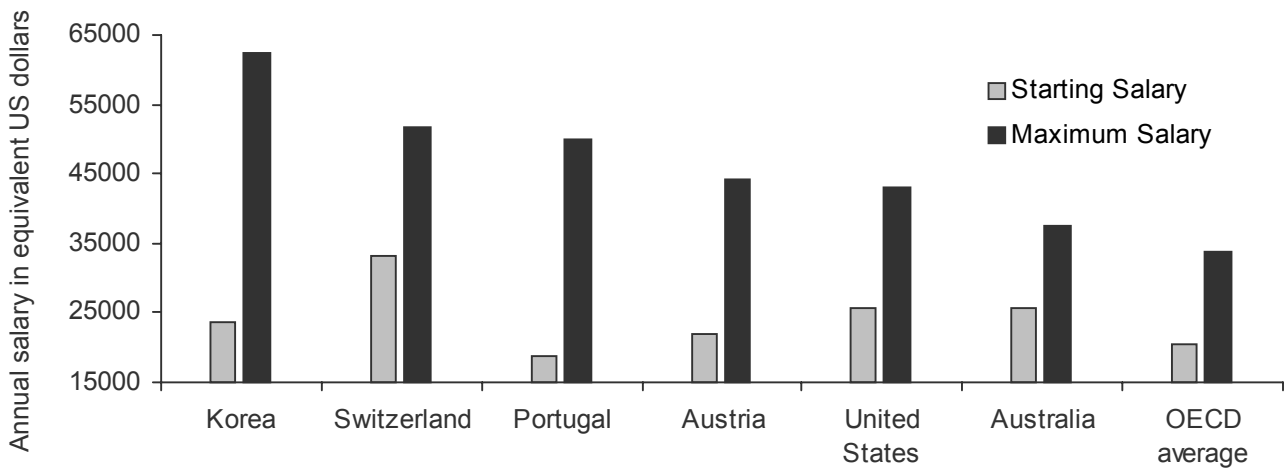
Gaining the best and the wisest young people.

Many Western countries have in recent years had difficulty in attracting the highest quality students into teacher training programs and then into the classroom. ¹¹² While the situation has eased in Australia teaching as an occupation is still struggling to compete for the best and the wisest young people. To some degree, this is influenced by the fact that teaching is still primarily a profession of salaried employees, the majority of whom are employed by governments. This limits the capacity for outstanding teachers to maximise their earnings as they might in business or in some other professions where the market endows the capacity to charge for one's services, and for that charge to reflect the skills of the professional.

¹¹¹ Rowe 2002.

¹¹² OECD 2001b: 135.

**Figure 9 - Salaries for primary teachers in government schools
(listing for the five highest paying OECD countries compared to Australia)**



Annual statutory teachers' salaries (1999) in primary education in government schools in equivalent US dollars.
Source: OECD 2001c Table D1.1(a).

There is also the challenge of how to attract and keep teachers in the profession. There are implications for governments and the wider community as well as for schools. While the number of people seeking to enter the profession are increasing, the numbers who leave the profession are also increasing, and at a faster rate in some places. In the United States, there is evidence that the nature of teachers' work is at the root of the problem. The data show 'that the amount of turnover accounted for by retirement is relatively minor when compared to that associated with other factors, such as teacher job dissatisfaction and teachers pursuing other jobs'.¹¹³

**Measures to improve
the attractiveness of
teaching.**

Responses by governments to the challenge of raising teaching standards have been varied. There has been significant investment in teacher salaries in an attempt to attract higher quality graduates into the profession, though the top salary in Australia for an experienced and able teacher who chooses to remain in the classroom rather than moving into school leadership and management. The British government has introduced a new package of measures designed to increase the attractiveness of teaching and to ensure an adequate supply of staff is available to schools in challenging circumstances. The package includes reforms to teacher training with a much greater emphasis on 'in-school' experience and salaried pathways to teaching for mature graduates. There will also be larger allowances for teachers living high cost areas and greater flexibility for schools to recruit and retain high quality teachers.¹¹⁴

¹¹³ Ingersoll 2001, p 499.

¹¹⁴ DfES 2001.

Also prominent have been attempts to establish professional standards for teachers. The General Teaching Council provides professional standards in the Britain. Although attempts to establish national professional standards in Australia have been difficult, several states have moved ahead with their own professional teaching bodies.¹¹⁵ Although there is a trend, and in some places long established practice towards teacher recruitment and selection being undertaken at the school level, in Australia, centralised systems for staffing schools still prevail in the majority of states.

b) Creating a profession

If teachers are to gain the recognition and rewards that they deserve the system of employment for teachers in government schools should be deregulated and made more flexible.

Teachers and their unions have long argued for higher levels of remuneration in recognition of the important and demanding nature of their profession. This is not an unreasonable position. The most highly paid classroom teachers, as distinct from principals, assistant principals and others involved in school management earn around \$60,000 - \$65,000 a year, although salary levels vary from state to state. This is, on the face of it, a reasonable though not generous, level of reward.¹¹⁶

Teachers are salaried professionals.

Unlike many of the professions with which teachers would like to compare themselves, the vast majority are salaried employees. Further, most are direct employees of government. This places structural limitations on their earning capacity. The salaries of teachers are not linked, other than in times of severe shortage, to the forces of supply and demand. There is, in effect, a virtual monopoly operated by their employers, all of whom, even in the private school sector depend to a greater or lesser extent on government funding. By contrast, other professionals are able to operate in a variety of employment contexts - to establish their own business or to take salaried employment in either the private or public sectors. The highest paid are those who are able to demonstrate that their qualifications, skills and experience deserve to be highly remunerated.

The link between performance and remuneration.

In most Australian states, teachers are placed on a common incremental scale through which they progress based on years of experience, although there is now, in some states, a requirement for teachers to demonstrate their competence through an annual performance assessment. However, promotion decisions are increasingly made at schools and based on merit, the link between performance and remuneration is weak.

¹¹⁵ Kennedy 2001: 9.

¹¹⁶ OECD 2001c: 207.

A more responsive arrangement would be to place authority for teacher employment with either individual schools that voluntarily choose to take up such a responsibility, or districts and clusters of schools. When combined with equity based funding strategies, this would enable all schools, including those in remote or socially disadvantaged areas, to offer attractive remuneration packages and other conditions to attract the best teachers. It will continue to be argued as it has been argued for many years by teacher unions among others, that the best way to ensure equitable distribution of quality teachers is through centralised employment on standard terms and conditions. This approach has clearly failed.

Allowing schools to attract the best teachers.

Decentralised employment and less tightly regulated career structures offer the prospect of schools in the more disadvantaged areas at least being able to compete with more advantaged schools to attract the best teachers, something which they currently have little opportunity to do. There is also the potential for all schools to significantly broaden the types of teachers they employ and the range of projects for which they employ them. More flexible structures can operate to provide the best, most innovative, well trained and qualified teachers, opportunities to receive more appropriate rewards for their skill, similar to their colleagues in some of the other professions.

Teacher accreditation.

Associated with the processes described must be a rigorous accreditation and re-accreditation system for teachers, preferably through bodies created at a national level, benchmarked against the very best of professional organisations in the medical profession. The National College for School Leadership in Britain may also provide a model for accreditation and re-accreditation of school leaders in Australia. Building talented leaders at all levels, including at the centre of a school system, should be a high priority, given the large body of evidence that shows the impact of leadership on the quality of learning and capacity to bring about improvement. An Australian centre for school leadership, operating on a national basis, and involving school leaders from both the government and non-government school sectors could become a powerful force for the encouragement and dissemination of innovation in both school leadership, and teaching.

An Australian centre for school leadership.

c) Career and professional development

Encouraging teachers to undertake further study.

Currently the involvement of teachers in formal professional study after initial training is very low. There are several reasons for this: most education authorities have reduced rather than expanded opportunities for study leave and other formal mechanisms by which teachers might undertake university courses; there are few if any incentives in current teacher career structures for teachers to spend their personal time in formal study; and many of the post graduate courses offered by universities can appear to teachers to be remote from the demands of the classroom and their immediate professional needs.

These issues need to be addressed. It is not that higher qualifications should be tied in a direct, linear fashion to career advancement. Educational research has led to the creation of new knowledge about the most effective approaches to learning and teaching under different conditions and with new technologies. Teachers should be expected to learn about these and to adapt them to the circumstances of their own practice. We should expect no less than what is required of the medical profession.

Education authorities, in developing their new funding priorities will need to pay attention to the professional development of teachers. They will need to encourage involvement in formal study by teachers throughout their careers and to connect academic qualifications with their own professional development and training programs for teachers. The challenge for universities is to undertake rigorous research relevant to the needs of a knowledge society and develop new courses which link research and practice, which are attractive to teachers and which can be undertaken in flexible ways, both online and on site, so that teachers in all locations are able to access them.

d) The future of the profession

New ways of working for teachers.

Hedley Beare has argued in *Creating The Future School* that in the future many teachers will operate as self employed consultants. They will still work primarily in school settings but on specific contracts and with specific tasks. It is possible to imagine, for example, a team of experts in mathematics teaching working in a school to design and implement a new mathematics program, teaching classes, training the school's ongoing staff and being responsible for improving mathematics outcomes. Such a project might last for three to five years and involve consultant experts in mathematics teaching, staff on fixed term contracts modeling the recommended methods, monitoring progress and evaluating outcomes. Staff would be paid on performance based contracts linked to improvements in the educational outcomes achieved by their students.¹¹⁷

Such a vision for teaching into the future would be:

...teachers working in schools that are well constructed to the needs of learning for a knowledge society, supported by the best technology available; with a capacity to draw on state-of-the-art knowledge about what works to ensure all students learn well; working in teams and in schools that have been empowered to set priorities, making decisions and allocating resources to address the unique mix of needs of students; enjoying salaries and other working conditions that are consistent with those of a top professional...¹¹⁸

¹¹⁷ Beare 2001.

¹¹⁸ Caldwell, and Hayward 1998: 174.

5. Conclusion

Australia's Education Choices sets out the challenges for Australia's schools and for the Australian community. The policy framework of a centralised government bureaucracy managing schools may have been appropriate over one hundred years ago but it is no longer appropriate. The requirements of both students and society today are quite different of those from a century ago. Schools must meet the needs of all students - not only the highest achievers. Australia's current school education system, however, does not allow this to occur. Parents will continue to seek for their children the best possible schools, whether that school be in the government or the non-government sector. Schools will have to respond to these choices.

Our policy focus must always be on supporting the work of the teacher in the classroom. By encouraging school self-management teachers will be better able to exercise their professional expertise and skills, and their work will become more creative and fulfilling.

In bringing about fundamental reform to our nation's schools, debate must be conducted with the use of empirical evidence, such as has been presented in this report. This is a debate about the well-being of our children and the future of our nation. It is too important a topic not be carefully considered. It is with the aim of stimulating debate that The Menzies Research Centre commissioned *Australia's Education Choices*.

The 'Principles of Reform' enunciated in this report offer a chance of a new beginning for Australia's schools. To achieve reform will require the creation of a coalition of stakeholders, involving parents, teachers, the community, and the Commonwealth, and State and Territory governments. All members of the coalition will need to take responsibility for the performance of Australia's schools and for the achievement of every one of the nation's students - we must work together.

The Authors

Brian J. Caldwell is Professor and Dean of Education at the University of Melbourne. His interests lie in educational leadership, educational policy, educational finance, and the management of change in education.

His international work over the last decades includes presentations, projects and other professional assignments in 28 countries, including Australia, Bahrain, Canada, China (Hong Kong SAR), England, France, Germany, India, Indonesia, Israel, Kenya, Korea, Japan, Laos, Malaysia, Mauritius, Myanmar, New Zealand, Norway, Oman, Pakistan, Papua New Guinea, Philippines, Saudi Arabia, Taiwan, Thailand, United Arab Emirates, and the United States, with several assignments for the OECD, UNESCO, UNICEF, the World Bank, and the Asia Development Bank. He is co-author of a number of books, notably the trilogy on self-managing schools: *The Self-Managing School* (1988), *Leading the Self-Managing School* (1992), and *Beyond the Self-Managing School* (1998). He is a Fellow of the Australian College of Education, and the Australian Council for Educational Administration. He was President of ACEA from 1990 to 1993 and was awarded its Gold Medal in 1994.

John Roskam was senior adviser to Don Hayward, the Victorian Minister for Education for a total of four years between 1990 and 1996, and was Chief-of-Staff to Dr David Kemp, the Commonwealth Minister for Employment, Education, Training and Youth Affairs from 1996 to 1998. He is a former Executive Director of The Menzies Research Centre, and is currently completing his PhD in politics at the University of Melbourne.

APPENDIX - REFORM IN THE UNITED STATES

The experience of education reform in the United States is instructive for Australia. Although Australia performs appreciably better in international comparisons there are many similarities between the countries. American education reform was given significant impetus by the publication of *A Nation at Risk* in 1983 which spelled out the failings of the US school education system. In the two decades since various American states have implemented a range of diverse reforms. The process continued in January 2002 with President George W. Bush signing into law the *No Child Left Behind Act 2001* which among other things, provides federal financial assistance for students to leave public schools that are not meeting pre-determined standards.

It should be clear that the options for reform discussed in this report while providing for fundamental change build on a strong Australian tradition of innovation in education policy. As will be seen below, for a variety of reasons in the United States the potential for change has been concentrated to a large extent on abandoning the conventional public school system and attempting to start anew. On nearly every measure the academic performance of American students lags far behind that of other developed countries. In the PISA study Australia ranked fourth in reading literacy while the United States ranked fifteenth, with 12 percent of Australian students being below or at the lowest level of reading literacy compared to 18 percent for American students.¹¹⁹

1. Charter Schools

Charter schools together with vouchers, have been a major part of discussions about education reform in the United States. They have been the subject of dozens of research programs, and hundreds of articles. But despite the controversy they have generated charter schools account for very small fraction of the total number of schools in the United States. In the school year 2000-01 there were approximately 2000 charter schools in America, enrolling just over 500,000 students, compared to 90,000 public schools, with 47 million students nationwide, only 1 percent of students are in charter schools. Currently 37 states that have charter school legislation. Half of all charter schools are in four states: Arizona, California, Michigan, and Texas. The first charter school was established in Minnesota in 1981, and within three years 60 charter schools were operating in six states.¹²⁰

While there are wide variations between the states regulating charter schools, the actual concept of a charter school is relatively simple. All charter schools are established under state legislation, although some

¹¹⁹ OECDa 2001: 45.

¹²⁰ OERI 2000; Pioneer Institute 2000.

of their budget may be received from the federal government. An entity, which could be a group of parents, a university, a company (either for-profit, or not-for-profit) is 'chartered' by the state government to operate a school. In 14 states the local school board grants the charter, while in the others a nominated state agency performs this function, and in five states universities can grant charters.

Charter schools are a combination of new schools, converted conventional public schools, and private schools. Thirteen states do not limit the number of charter schools that can be established within the state, while the other states have restrictions on either the total number of charter schools allowed to operate, the number of new schools that can be established annually, or the percentage of students from a district allowed to be enrolled. All charter schools operate under time limited charters, and at the end of the charter it may be renewed or withdrawn. Charter terms range from 3 to 15 years.

Procedures for student admissions also vary, ranging from example Texas which allows charter schools to determine their own entry requirements subject to civil rights laws, to California where the racial and ethnic makeup of the charter school is expected to reflect the local area. Every state requires charter schools to admit students with disabilities.

Most states do not allow charter schools to charge tuition fees from parents, although some allow schools to seek in-kind contributions from parents. Funding to charter schools is usually at the same level as that for students in conventional public schools, although some states provide only the equivalent of between 60 percent and 95 percent of the funding for a students in a conventional public school. A number of states provide supplementary funding for students at-risk and those with disabilities. The source of the most significant funding differences between charter schools and other public schools is that charter school operators generally receive no capital funding either to establish the school or maintain it.

Requirements regarding the qualifications of teachers in charter schools are in most states the same as for conventional public schools, although some states do not have requirements other than those applicable for private schools. Most states mandate a system of accountability of charter schools to parents and the community. For example Arizona, requires that students undergo the same testing as students in conventional public schools, and that information on matters such as test results, teacher qualifications, school finances, and class sizes are reported publicly. A characteristic of charter schools is that they are usually smaller than conventional public schools (their median enrolment is approximately 130 students compared to 470) and they accommodate more year levels, which limits the number of school transitions that students make.

Legislation in Massachusetts, for example requires enrolment to be available to any student on the basis of space available, and schools cannot discriminate on the basis of 'race, colour, national origin, creed, sex, ethnicity, sexual orientation, mental or physical disability, age, ancestry, athletic performance, special need, or proficiency in the English language, and academic achievement.'¹²¹ Enrolment preference can be provided to students living in the local area of the school. Schools have the right to expel students according to school criteria which have previously been approved by the local public school board. Charter schools in the state are forbidden from charging fees, and they receive funding per student equivalent to the per student expense of conventional public schools in which the students live. The schools are not entitled to any state funding for capital works.

Massachusetts legislation also mandates that:

- while charter schools are free to determine the structure of their curriculum, students are required to meet the same performance standards, and testing and portfolio requirements as for students in conventional public schools
- every charter shall provide to parents of enrolled students, and prospective parents an annual report setting out the school's achievements and financial status
- teachers employed in charter schools be either certified or have passed the state's teacher tests.

An analysis of the profiles of Massachusetts' charter schools shows a variety of educational aims and philosophies. Some schools are deliberately 'academic' in orientation, emphasising languages, and a longer school day for example, while others specifically cater to students who have experienced a disrupted education and offers programs at night. Issues of student safety and discipline often rank high among parents' concerns and again different charter schools have different approaches.¹²² One school which advertises itself as a 'community school' has no dress code, while another enforces a strict uniform policy and discipline policy of 'zero tolerance.'¹²³

Beyond the minimum requirements set out by states charter schools are free to operate as they wish, with the opportunity to determine their own curriculum (some states require that the schools operate within statewide standards), school hours, discipline policies, and composition of teaching staff.

¹²¹ MGL Chapter 71: Section 89 (f).

¹²² Teske, Schneider, Buckley, and Clark 2000: 13.

¹²³ Pioneer Institute 2000.

Charter schools are regarded as 'public schools' as opposed to 'non-government schools' because their recurrent funding is provided by the government, which is why the terminology of 'charter schools' and 'conventional' or 'traditional' public schools is often used in the United States.

2. Vouchers

Milton Friedman started the modern debate on vouchers when in 1955 he suggested funding schools according to a voucher system. A voucher is basically an entitlement to a payment or a service. In education terms a school voucher is usually regarded as a payment from the government to a parent to compensate for all or part of the costs of their child's education. There are a number of ways in which a voucher system might operate in practice. Schools may be paid by the government the amount directly upon the enrolment of a student, or an alternative option preferred by many advocates of vouchers is that parents are given a piece of paper, a 'voucher' redeemable for a designated sum of money if it is used to pay the cost of schooling at an approved school.

It is argued that vouchers provide choice for parents regardless of their income, and that schools will become more responsive to the needs of students because their existence will be dependent on the receipt of income via vouchers.

Some, such as Coons and Sugarman, approach vouchers as a matter of 'social justice' because in their view choice should not be limited to only those who can afford to exercise it:

...they argue that a regulated voucher system favoring the poor is not only libertarian but 'also egalitarian; it holds for one area of the child's life [education] the socialist ideal of an equal portion.' They contrast their vision with the existing system, which they say presumes 'that only rich parents are the best judge of their child's educational interest.' In short, their 'objective for education is an equality of freedom.'

More recently, some African American education reformers have advocated vouchers as the next step in the civil rights movement. Howard Fuller, former superintendent of the Milwaukee public schools and a vocal advocate for choice, says the key question is this: 'Should low-income, mostly African American parents receive vouchers that will empower them to make educational choices that a majority of Americans both cherish and take for granted?' In Fuller's view, 'any answer but "yes" is unacceptable.'¹²⁴

¹²⁴ Gill, Timpane, Ross, and Brewer 2001: 141.

Aspects of Australia's school system display some limited characteristics of a voucher scheme. When a parent enrolls their child in a government school that school is paid an amount to help finance the education of that child. However, if the child is enrolled at a non-government school that school gains only a portion of the funding that would have been made available to the government school. In both cases the school receives the funding direct from the government. One version of a full voucher scheme would have parents receive a payment from the government, equal to the cost of educating a child at a government school, paid to parents regardless of whether the child was enrolled in a government or non-government school. More sophisticated alternatives would have the value of the payment vary according to the income of the parents, or the educational need of the child, for example.

In the United States there are five government-funded voucher programs for school education in Vermont, Maine, Milwaukee, Cleveland, and Florida. The two best-known schemes that deliberately encouraged choice operate in Milwaukee, Wisconsin, and Cleveland, Ohio. The features of the programs can be summarised as follows:

The Milwaukee Parental Choice Program (MPCP) offers scholarships of approximately [US] \$5,300 to low-income students in Milwaukee to attend private and religious schools of their choice. Eligibility is limited to families below an income threshold (approximately [US] \$25,000 for a family of three in 2000-01). Unlike schools receiving students from privately funded voucher programs, however, schools participating in MPCP are expected to conform to a number of program regulations. They are not permitted to charge additional tuition, must demonstrate minimal performance standards, and are required to admit all applicants as long as space is available. Schools with a shortage of space must allocate spaces by lottery. In the 2000-01 school year, the program included 103 schools serving over 9,500 students.

The Cleveland Scholarship and Tutoring Grant Program began operating in the 1996-97 school year, allowing students in kindergarten through grade 3 (to be expanded by one grade each subsequent year, up to grade 8) to attend any participating private school in the city, including religious schools. Scholarship recipients are selected by lottery, with priority given to low-income families. A proportion of the scholarships were allocated to students already in private schools. The scholarship covers a maximum of 90 percent of private-school tuition up to [US] \$2,250, with smaller scholarships [up to 75 percent of tuition costs] for higher-income families. Parents are required to make up the difference in tuition.¹²⁵

The Milwaukee program commenced in 1990 with 330 students in seven schools and currently has 9,500 students in over 100 schools, while Cleveland's has 4,400 students in over 50 schools. Milwaukee's program is restricted to more than fifteen percent of children in the district, while Cleveland's is restricted to around five percent of students. Florida initiated a system in 1999 whereby students attending schools that were regarded as 'failing' for two years out of a four year period would be entitled to a voucher of approximately [US] \$4,000 to attend any participating private school.¹²⁶ Government funded voucher programs also operate in Vermont and Maine where parents who live in areas without public schools are reimbursed the cost of sending their children to either a non-religious private school or a public school. In 1999 it was estimated that approximately 25,000 students in those five states were in voucher programs.¹²⁷ In addition to these publicly funded voucher programs, a number of privately funded voucher programs operate in cities such as New York and Washington, DC.

Cleveland's voucher program is the subject to challenge in the US Supreme Court on the basis that it violates the separation of church and state in the United States, for reasons including the fact almost all the participating private schools are religious, with a decision due mid-2002.¹²⁸

3. Outcomes from charter schools and vouchers

Although charter schools and vouchers are often bracketed together as models of school 'choice' or 'competition' conceptually they are quite different. Both have been thought of as threats to traditional public schools in that they are each designed to allow parents to exercise choice outside the existing system. Charter schools can be regarded as a 'supply' reform, and vouchers as a 'demand' reform. Charter schools in the United States have increased the supply of education alternatives while vouchers give effect to parental demands for choice.

Both critics and supporters of charter schools and vouchers agree that it is still too early to determine the outcomes of these reforms. As can be readily seen even though charter schools are becoming more widespread their total coverage is still minimal, as is the case with voucher programs. It is a feature of both major voucher programs in Milwaukee and Cleveland that they were established not to fulfil any broad policy principles, but as measures of 'last resort' because of the intractable problems of public schools. As each is targeted to low income parents it is difficult to draw any general lessons from the experience.

¹²⁵ Gill, Timpane, Ross, and Brewer 2001: 52.

¹²⁶ Gill, Timpane, Ross, and Brewer 2001: 53.

¹²⁷ Olsen, and Brouillette 2000: 4.

¹²⁸ *The Economist*, February 23, 2002.

Nonetheless, some conclusions are coming to be made, and generally accepted about education reform in the United States. ¹²⁹

To most policymakers the most important outcome of charter schools or voucher programs are the academic results of students. The evidence so far is equivocal and the subject of strong debate. Teske and Schneider comment that programs allowing school choice do demonstrate academic improvement and 'the best studies tend to show test score improvements, few or none show test score declines in choice programs, and a growing number of studies are beginning to show some improvements in graduation rates and college matriculation from being in choice schools, as well.'¹³⁰

Specifically, in relation to charter schools Murphy and Shiffman provide a nuanced assessment on charter schools. On the positive side of the balance:

...charters are not the sorting and segregating mechanisms that critics envisioned.

...charters are quite effective in building unified communities that are energised by common purpose and mission, two elements on the short list of conditions known to promote school improvement and enhance student learning. Charters are also fairly effective in nurturing the development of professional cultures...¹³¹

On the other hand, not all expectations have been realised:

Although explainable, the inability of the charter movement to power improvements in the larger educational system is a major problem...The data on student achievement and school accountability, while quite limited, are not nearly as positive as charter advocates had hypothesised. The best that can be said here is that...charters appear to be holding their own on the critical test of whether they can improve student performance. ¹³²

A more sophisticated understanding of vouchers is also emerging from the American experience. As with charter schools, the powerful effects claimed by proponents have not as yet materialised, but there is no evidence of the demise of public education predicated by detractors. Such outcomes are not surprising given the small scale of implementation. The most noteworthy impact has been on the performance of students in highly disadvantaged settings. In a recent study of vouchers the test scores of African American students in New York's privately funded voucher program were substantially higher than

¹²⁹ A summary of the research is provided in Teske and Schneider 2001.

¹³⁰ Teske and Schneider 2001: 624.

¹³¹ Murphy, and Shiffman 2002: 216.

those of comparable students in public high schools. The difference in scores was moderately large, and was enough to erase almost half the achievement gap found nationwide between African American students and white students.¹³³

In judging the effect of such research on community attitudes to schools it has been commented that:

...while Americans like public schools, they are also quite open to vouchers, which have special appeal to those socially less advantaged, members of minority groups, and residents from low-performing districts. The voucher movement gains its greatest support, the analysis suggests, when it moves away from free market ideas toward limited, regulated approaches that begin with the neediest children.¹³⁴

These findings are of considerable significance in the formulation of public policy on school choice, and Hill draws for implications:

1. The effort to assess the effects of choice on student learning is paying off. In the future, the burden of proof will be on those who claim that vouchers do not bring about gains for participating students.
2. Without abandoning quasi-experimental studies of voucher programs, researchers need to look beneath the averages to understand the sources of variability in student outcomes.
3. Opposition will now shift to claims that vouchers and other forms of choice harm students who remain in public schools.
4. The next frontier is to define the mechanisms of public oversight that are compatible with choice.¹³⁵

¹³² Murphy, and Shiffman 2002: 216.

¹³³ Howell, and Peterson 2002.

¹³⁴ Armacost 2001: viii.

¹³⁵ Hill 2001: 293.

4. Tax Incentives

The concept of using the tax system directly to provide choice has been growing in popularity in the United States, and is seen as avoiding some of the problems inherent with charter schools and vouchers. The form of tax incentive usually suggested is that of a 'tax credit', which gives parents a dollar-for-dollar reduction in the tax liability for expenditure on their children's education regardless of the type of school attended.

For example if a tax credit of \$5000 per child was allowed and a parent spent a total of \$10,000 on school fees for two children, their tax payable would be reduced by \$10,000. If a parent spent \$10,000 on the education of their children but only had a tax liability of \$8,000 they would be entitled to a refund of \$2,000. It is argued that the advantage of such a system is that it reduces the administrative role of education departments, and creates a direct relationship between parents and schools. In the American context such schemes which don't directly fund religious non-government schools are less likely to encounter constitutional difficulties. Four American states currently make limited provision for tax credits for tuition expenses ranging in value from US \$250 to US\$2,500.¹³⁶

It has been commented that in the United States tax credits do not seem to raise the some political opposition as do vouchers, although the reasons for this are unclear.¹³⁷ It could be because 'vouchers' as a term has particularly strong connotations, while 'tax credits' do not carry the same baggage.

In an important work Jennifer Buckingham considered the application of tax credits as they might apply in Australia, and the various ways in which they could be implemented. She calculated that if a tax credit valued at the average cost of educating a child in a government school (approximately \$6,425) was made available to Australian parents the additional cost to government would be around \$2.1 billion. If the availability of a full tax credit was means-tested and families with incomes greater than \$62,400 were only entitled to a credit of \$4,425 the extra cost would be around \$200 million.¹³⁸

¹³⁶ Olsen and Brouillette 2000: 5.

¹³⁷ Gill, Timpane, Ross, and Brewer 2001: 16.

¹³⁸ Buckingham 2001.

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PO Box E116
KINGSTON ACT 2604
phone 02 6273 5608
fax 02 6273 7288

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