



## Real Education Reform

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*This article from the [October 2012 edition](#) of the [IPA Review](#) is by Director of Education Standards Institute and author of 'Educating your child: It's not rocket science', Dr Kevin Donnelly.*

School funding and the best way to manage Australia's tripartite education system, involving Catholic, independent and government schools, have been at the centre of public debate over the last two years as a result of the Gonski funding review.

The then federal minister for education, Julia Gillard, announced the review, chaired by the Sydney businessman David Gonski, in April 2010 and the review's report was released late February 2012. The ALP government finally made public its response early September this year in a speech by Prime Minister Gillard to the National Press Club in Canberra.

While refusing to provide any details about what the new funding model would look like, the prime minister stated that her government endorsed the funding model recommended by the Gonski report and its focus on improving equity and overcoming disadvantage.



The prime minister also promised that Australian students would be in the top five in terms of the Programme for International Student Assessment (PISA) results by 2025, and that her government would link funding of government and nongovernment schools.

In justifying such an approach the prime minister argued that disadvantaged groups needed to be the focus of the new funding model and that Australia needed to be more competitive internationally in terms of test results.

The flaws and inconsistencies in Julia Gillard's approach to funding and managing schools and improving outcomes are manifest. The current socioeconomic status (SES) funding model is due to expire at the end of 2013 and schools, systems and parents are looking for details and clarity about any new funding model.

Even though the federal government received a copy of the Gonski review last December and has had nine months to decide its response, the only thing the prime minister could say during her speech to the Press Club was that the final shape of the new funding model might be known at the start of next year.

The Gonski report argues additional funding of \$5 billion is needed annually to implement its recommendations. On current estimates the figure is now closer to \$6.5 billion a year.

Given federal and state governments' commitment to balance their budgets, and the fact that the mining boom has probably peaked, the reality is that it will be virtually impossible to find such large sums to invest.

More importantly, as numerous studies commissioned by the OECD show, increased spending rarely, if ever, leads to improved results.

That the amount invested in education is not the most important factor leading to improved learning is proven by the fact that many of the systems that consistently achieve at the top of the table, such as Shanghai, Singapore, South Korea and Hong Kong, spend less on education as a percentage of GDP than less successful countries like Australia, the USA and England.

As noted by the federal ALP member for Fraser and former ANU academic, Andrew Leigh, it's also the case that notwithstanding the additional millions spent on education over the last 20 to 30 years, standards, as measured by literacy and numeracy tests, have flatlined and in some instances have even gone backwards.

Much of the federal government's education revolution is highly statist, bureaucratic and centralised. As noted by Professor Brian Caldwell, one of Australia's leading educationalists, this command and control model denies schools, government and non-government, the autonomy and flexibility they need to best manage their own affairs.

Whether we are talking about a national curriculum, national testing, national teacher registration and certification or national partnership agreements, all roads lead to Canberra—even though the



federal government does not employ any staff nor manage any schools.

The most recent manifestation of this attempt to micromanage schools is what the prime minister terms a National Plan for School Improvement. Under the new model, as a condition of funding, schools will have to abide by a raft of centrally imposed and mandated requirements.

Requirements include schools posting an annual school improvement plan on the MySchool website and detailing what steps have been taken to improve educational outcomes, teachers maintaining an individual learning plan for students, implementing the new national curriculum, teachers undertaking an annual review and schools having to collect an increasing range of data, such as all sources of income, the results of surveys and post school destinations of students.

What is ignored is that many schools across Australia are already monitored and evaluated and that the last thing needed is an additional bureaucratic layer that will increase red-tape, compliance costs and stifle innovation. In Victoria, for example, schools have been producing annual reports and have been externally monitored since the Kennett years of government.

In her speech to the Press Club Julia Gillard also focused on equity and disadvantage, arguing that lifting the performance of disadvantaged students is central to any new funding model.

Even though Australia's decline in the PISA tests related to literacy is caused by having fewer more able students achieving at the top of the scale, the need to better resource and support high-achieving students is ignored in favour of under-performing students whose test results are below average.

Similar to the prime minister, the Gonski report and its recommendations espouse a similar view that argues success or otherwise at school is determined by socioeconomic background, and that increased government funding, regulation and control are the most effective ways to raise standards and to improve educational outcomes.

Ignored is the Australian research showing that socioeconomic background is only one factor explaining why some students achieve success and other students do not. Research by Gary Marks, from the Australian Council for Educational Research (ACER), shows that other factors like students' prior academic ability, the quality of teachers, the discipline of the school and a rigorous curriculum are just as important, if not more.

An analysis of Australia's performance in the 2009 PISA tests undertaken by the ACER reinforces the argument put forward by Marks, noting that only 13 per cent 'of the explained variance in student performance in Australia was found to be attributable to students' socioeconomic background'.

One of the major shortcomings of the Gonski report, not surprising given that two of the committee members, Ken Boston and Carmen Lawrence, are staunch advocates of increased state control over education, is its failure to acknowledge the benefits of Australia's non-government schools and a market driven approach to education and to school funding.



Yet Australian Catholic and independent schools outperform government schools in areas like literacy and numeracy tests, year 12 results and numbers of students gaining tertiary entry, even after adjusting for students' socioeconomic background.

Also ignored are overseas innovations like charter schools and school vouchers in the US and what are known as free schools being championed by the UK Conservative government. There is an increasing body of research from both Australia and overseas that prove a marketdriven approach is preferable to a statist and bureaucratic model of educational delivery.

On examining the characteristics of stronger performing education systems, as measured by international tests such as PISA, researchers Ludger Woessmann and Eric Hanushek conclude that successful education systems are characterised by competition, choice, diversity and school autonomy. As Woessmann and Hanushek argue, 'Looking across all countries, privateschool management tends to be positively associated with students achievement' and 'students perform better in schools that have autonomy'.

The two researchers also argue that properly funded non-government schools lead to increased equity in education when they write, 'privately operated schools and shares of public funding are not only associated with higher levels of student achievement, but also with reduced dependence of student achievement on socioeconomic background'.

After carrying out a meta-analysis of studies investigating the relative performance of government and non-government schools, Andrew Coulson from the Cato Institute also concludes that a market approach to education is preferable to one where schools are controlled and managed by government, arguing 'the private sector outperforms the public sector in the overwhelming majority of cases'.

Another US based academic, Patrick Wolfe, adds further evidence that school choice is beneficial when he concludes, in relation to the Milwaukee Parental Choice Program, 'that the program is much valued by parents, that it increases the chances of students graduating and attending college and that the school voucher program has led to students in public schools (those controlled by a school district) performing at higher levels'.

Such is the success of the school choice movement in the US that even President Obama has made it a condition of federal funding that state education departments allow the introduction of greater numbers of charter schools—where local communities are empowered to manage schools, employ staff and decide on a school's curriculum focus. It is a shame Gonski didn't.