



Shaking Up the Education System

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Australians are overwhelmingly supportive of the idea that all children should have access to quality education regardless of family income. Australians are committed to the ideals of publicly funded education and accept that it contributes to the wellbeing of our society. Publicly funded education is not, however, the same as government controlled education. But the increasing levels of government control and direct intervention in the business of schools are making it very difficult to tell the difference.

Schools, even supposedly independent Catholic and other non-government schools, have become hamstrung by the conception of a singularly defined model of education—a model that creates misguided and costly system controls at the expense of engaging with students and parents.

Students, it is assumed, need only a single set of government determined skills in order to be equipped for their future lives. Despite the rhetoric of diversity, there is little evidence of respect for their individual differences, motivations, interests and aptitude. The teaching of subject content is



crowded out in favour of developing 'life skills' such as collaboration and team work, environmental awareness and cultural sensitivity. At the same time there is ever-increasing pressure to incorporate politically driven responses to broader social issues, with schools expected to incorporate programs on everything from bullying, cyber safety, drug and alcohol education, financial awareness, healthy eating, road safety and sexual health.

Over the past decade the Australian government has introduced a National Curriculum, national standardised testing, a set of teacher and principal professional standards, and has used funding to impose its favoured programs. Schooling success is no longer determined by excellence and achievement; rather, success is measured against a set of national targets that favour equity and measures of international comparison.

In order to receive financial assistance, State and Territory government schools, along with all non-government schools, are compelled to focus on these goals and their associated set of requirements.

Schools need to accommodate their own academic and curriculum focus around an ever increasing array of mandated 'learning outcomes' and 'standardised measures', squeezing out any space for local differentiation and focus.

In compelling all schools to adhere to a rigid set of learning outcomes and regulations, schools are no longer able to act in the best interests of the individual students in their classrooms.

In an attempt to fulfil the roles of both education funder and provider, State governments have become distracted from their duty to create an environment in which schools may operate most effectively, focusing instead on defining and directing the way in which services are to be provided.

The focus and thinking required in the development of good government policy and the creation of industry incentives is very different to that required to run a school. Decisions and investment at a policy level are different to those that will be taken as a school operator.

But when government plays the role of both funder and provider it is easy for these distinct requirements to become confused. The result is a misdirection of attention and resources and frequently leads to the wrong outcomes.

This is why the Abbott government's commission of Ian Harper's draft report *Competition Policy Review* (the Harper Review) has the potential to influence schooling reform more significantly than any of the previous or current reviews which had specifically focused on education.

In one simple recommendation—that has received almost no public attention and which is buried in an easily overlooked section titled 'human services'—the Harper Review recommends that the government's choice and competition principles should be extended to those services traditionally provided by government, including education services.

In the application of these principles, user choice would be placed at the heart of service delivery, and would place parents and students in their rightful place as primary decision-maker in matters



of education. Their preferences would be more strongly signalled, and would consequently encourage school providers to respond with more innovative practices reflecting a closer match to student needs.

The Harper Review signals a welcome recognition that universally funded services—traditionally provided by governments—should not be exempt from the benefits that come from competition and from the empowerment of consumers.

The key to change is the Harper Review's recommendation to separate the government roles of funding and regulation from that of delivery. This separation does not suggest a change in the level of public funding for schools, but rather aims to improve productivity through ensuring greater independence in regulatory functions and by initiating greater competition in delivery.

Currently, State education departments both fund and run schools. These departments directly employ the principals and teachers in schools, and also determine what is taught and how content is delivered. Many will claim this approach is the only feasible means of delivering on a promise of publicly funded, universal schooling.

The trouble with the current scheme is that despite decades of reform efforts and increased government spending, Australian schools show signs of declining performance, as noted in the 2012- 2013 *Australian Government Final Budget Outcome*.

The Programme for International Student Assessment (PISA)—an international measure used around the world to assess public policy issues related to schooling— measures the achievements of 15-year-olds on common tests of literacy and numeracy.

Between 2003 and 2012, Australia's performance in mathematics and literacy declined significantly. Most tellingly, the decline was greatest among low performers—the very students publicly supported education is meant to protect. Even more alarmingly, according to PISA the performance of our top achievers decreased by 5 per cent.

Government dominance of school education provision is all too apt to focus on the middle ground, tailoring services to the needs of the greatest number of students; but this creates a culture in which the average becomes more important than excellence, where the incentives favour the 'system' over the student.

With government as the dominant provider of school services we have created a 'public education system'—one of the oldest and most established structures in our society—and it is stuck in the mechanisms of the last century. All efforts at reform have amounted to tinkering around the edges.

This is because the single major barrier to genuine reform is government playing the roles of funder, regulator and provider. This barrier has proven incredibly resistant to change and is acutely prone to the influence of those vested interests who have the greatest incentives to ensure schooling structures remain as they have for the past 100 years—namely policy makers, departmental officials, educationists and unions.

It is worth noting that of all the submissions to the Harper Review, the only submission relating to the schooling sector came from the Australian Education Union (AEU). Unsurprisingly, the AEU argued against the separation of funder and provider, contending that any separation of these functions would risk leading to increased costs and issues of access and equity. These are the same arguments that have long been used to impede our exploration of new ways of delivering what have traditionally been viewed as government services.

So how might the schooling landscape look if the Harper Review recommendations were adopted?

It would remain the role of government to maintain regulatory standards. Equity of access, universal service provision and minimum quality would remain important objectives. But government policy would allow more room for providers to innovate. Over time, a broader and more diverse range of providers would emerge, including private for-profit, not-for-profit, and government business enterprises, as well as co-operatives and mutuals.

Greater options in schooling providers would also allow parents to have greater control of the schooling services they access— service providers would, by necessity, become more responsive to individual requirements. Schools could focus on providing specialised services, targeting specific students and their interests. In areas unable to support a larger number of alternate providers, for example in rural communities, services might be commissioned or provided through competitive tender.

Importantly, public funding provisions would allow students to leave schools that are not performing and move to those that were. In the case of commissioned services there would be a credible threat of funding withdrawal if service quality was not maintained. In this environment, governments could then refocus on what needs to be achieved in the public interest—but the specific means of producing these outcomes would be left for the schools to determine.

To meet the future educational needs of Australia's next generation we need to create incentives for a broader range of schooling providers and foster diverse approaches that better cater to the varied nature of our students.

Let's hope that the Harper Review provides an impetus for challenging the deeply entrenched tradition of excluding school education from the principles of an open market. We might be surprised at the ideas which emerge as we liberate our schools from the *status quo* they have wallowed in for far too long.