

## Public Education in New South Wales

### Submission to the 'Vinson' Inquiry

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*Note: Dr Ross Harrold sadly and suddenly passed away before this paper was completed and therefore was not involved in its final stages.*

#### EXECUTIVE SUMMARY

Any initiative to have major policy issues discussed and debated outside the framework of government and the bureaucracy is commendable, as education in New South Wales (NSW) over the last two decades has been heavily politicised. It must be noted, however, that the NSW Teachers Federation has its own agenda to pursue. There is arguably a conflict of interest in an inquiry conducted by an industrial organisation. The Federation may be forced to decide whom it is most obligated to serve—its members or the users of public education—as their interests will not necessarily coincide.

- The evidence is that NSW schools and colleges are not under-resourced in relation to other systems and that they are performing well on the only comparable measure of achievement. There is, however, still a question of whether and how the performance of public schools might be improved. By initiating an inquiry into public education in NSW, the NSW Teachers Federation has clearly indicated its belief that this question is valid. The continuing loss of students to non-government schools, particularly in inner Sydney where students have more choices, is the only barometer of public satisfaction with the state's public schools, and suggests the need for improvement.
- It is unrealistic to imagine that any public school system will ever have unlimited resources. It is therefore more important to consider whether the available resources are being used as effectively as possible; that is, the productivity of a school system.
- Research into school efficiency and effectiveness has become strongly focussed on the concept of school-based or site-based management. That is, making the school the central organisational unit and devolving more decision-making and financial control to the school level. In Australia, this sort of reform has been successfully implemented in Victoria, but has not been adopted in New South Wales, despite evidence of its positive effects on school education.
- Attempts over the last decade to lead public education in NSW toward establishing the characteristics that sustain a productive school system have been consistently and systematically blocked, most notably by the efforts of the NSW Teachers Federation.
- Schools must be able to respond to the needs of their students, using their own experience and expertise, and with the support and informed participation of their communities. Prevention of the establishment of the structures necessary to facilitate this denies present and future students and teachers in NSW public schools the opportunity to reap the benefits of what has been identified as world's best practice in school management.

**The ideal of education as a public good cannot be restricted to education that is provided by governments.**

## **Introduction**

Any initiative to have major policy issues discussed and debated outside the framework of government and the bureaucracy is commendable, as education in NSW over the last two decades has been heavily politicised. The recent debacle over the alleged ‘gun-toting pathological’ student at Cecil Hills High School is a good example of the disastrous effect of improper intervention of political opportunists into school matters.

Further, NSW public schooling has been marred over the last decade and a half by what Lesley Lynch calls the ‘policy dash’<sup>1</sup>—feverish activity by a new government to undertake major education policy reform within inappropriate time frames and without due negotiations with interested parties. This experience has left teachers sceptical of the capacity of policymakers to focus on educationally desirable change and has left them more resistant to any future reform efforts.

It must be noted, however, that the NSW Teachers Federation has its own agenda to pursue. There is arguably a conflict of interest in an inquiry conducted by an industrial organisation. By accepting and promoting recommendations that may undermine the position of the union and its members, does the Federation breach its responsibility to its members? We ask that it be acknowledged that the Federation may be forced to decide whom it is most obligated to serve—its members or the users of public education—as their interests will not necessarily coincide.

It is hoped that this inquiry will be independent, not only of the government’s but also the Teachers Federation’s agenda, and that the outcomes of this inquiry will lead to clear, well researched proposals which will form a strong, community-backed, bipartisan series of proposals for beneficial and enduring changes to NSW public schooling.

## **TERMS OF REFERENCE**

### **General terms**

*What are the purposes and values of public education in society?*

The purposes and values of public education are those that can be attributed to education in general. The ideal of education as a public good cannot be restricted to education that is provided by governments. There is no evidence to suggest that education provided by state governments contributes more to the public good than education provided by non-profit community organisations. That said, the National Goals of Schooling outlined in the Adelaide Declaration (1999) are as suitable as any other. These goals, which were agreed upon by State, Territory and Commonwealth Education Ministers at a meeting of the Ministerial Council for Employment, Education, Training and Youth Affairs (MCEETYA) in 1999 can be freely accessed on their website.<sup>2</sup>

*What are the resources and structures needed to achieve these purposes and values?*

This question will be the focus of this submission and will be addressed in detail in the following pages.

### *Specific issues*

It is disquieting that the focus issues made explicit in the call for submissions make very little reference to academic standards or quality. Instead, they are almost entirely restricted to questions of social justice and equality. These are valid objectives, but they should not be the most important aims of any education system. Rather, it is the purpose of schools to realise the potential of all students. Academic quality should be the first priority of any school or school system. Addressing the differences in outcomes achieved by different groups in society is a secondary, albeit important, issue. This submission will therefore be concerned mainly with those characteristics of a school system that promote educational quality rather than educational equality, in the belief that the latter will be best addressed through the achievement of the former.

### **This submission will:**

1. Consider the resources and performance of the NSW public education system in relation to other states and territories;
2. Identify from the literature a set of characteristics of a productive public education system, then consider whether the NSW system currently displays these characteristics;
3. Describe another Australian public school system that comes closer to exhibiting the characteristics of a productive system;
4. Make recommendations for change in the NSW system.

## **1. RESOURCES AND PERFORMANCE OF THE NSW PUBLIC EDUCATION SYSTEM**

### **Resources**

It is unrealistic to imagine that any public school system will ever have unlimited resources. It is therefore more important to consider whether the available resources are being used as effectively as possible; that is, the productivity of a school system.

Productivity in schooling is difficult to define and even more difficult to measure. There are, however, crude ways of examining the productivity of school systems by comparing inputs (funding) and outcomes (for example, literacy performance) over a period of time. One school system may be deemed more productive than another if it achieves equal or better outcomes with fewer resources.

#### *Per unit costs*

Per student expenditure in NSW public schools has been relatively stable throughout the 1990s compared with other states and territories, and is now close to the national average. The largest decreases in funding have been in those states that had a relatively high level of spending in the early 1990s and have since reduced spending to levels closer to that of other states. The exception is the Northern Territory, which consistently spends much more per student than other jurisdictions, primarily because of the large number of remote and isolated schools and the larger proportion of indigenous students.

**Table 1. Per Capita Expenditure in Government Schools  
1992/93 to 1998/99**  
(1998/99 adjusted dollars)

	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	<i>TAS</i>	<i>ACT</i>	<i>NT</i>
<i>1992/93</i>	6,199	7,583	6,384	7,483	6,491	6,845	7,694	9,904
<i>1993/94</i>	6,430	6,856	6,299	7,691	6,596	6,792	7,837	9,969
<i>1994/95</i>	6,466	6,068	6,163	7,332	6,379	6,706	7,488	10,031
<i>1995/96</i>	6,425	6,054	6,394	6,532	6,409	6,566	7,444	9,419
<i>1996/97</i>	6,178	6,160	6,486	6,580	6,489	6,633	7,479	9,448
<i>1997/98</i>	6,127	5,870	6,489	6,513	6,525	6,526	7,255	10,186
<i>1998/99</i>	6,288	6,064	6,396	6,663	6,233	6,810	6,807	10,186
<i>Change %</i>	+ 1.4	- 20.0	+ 0.2	- 11.0	- 4.0	- 0.5	- 11.5	+ 2.8

*Source:* SCRCSSP (Steering Committee for Reporting on Commonwealth /State Service Provision), *Report on Government Services 2001* (Melbourne: Productivity Commission, 2001), Appendix 3A.

### **Performance**

Until recently, there was no national standardised testing, and therefore no measure of achievement against which all states and territories could be compared. The National Literacy and Numeracy Plan was adopted in 1997, and the commencement of reporting began with the results of the 1999 assessments. These are the only figures available to date (see next page).

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**Table 2. Percentage of Year 3 Students Achieving the National Reading Benchmark, 1999**

State/Territory	NSW	VIC	QLD	SA	WA	TAS	ACT	NT
Years of Schooling	3 yrs, 7 mths	3 yrs, 7 mths	2 yrs, 8 mths	3 yrs, 3 mths	3 yrs, 7 mths	3 yrs, 7 mths	3 yrs, 7 mths	3 yrs, 3 mths
Percent achieving benchmark	91.2	86.2	82.4	83.2	87.9	85.9	89.9	72.3

Source: MCEETYA (Ministerial Council for Employment, Education, Training and Youth Affairs) *National Report on Schooling in Australia 1999* (Melbourne: Curriculum Corporation, 2000).

The results for 1999 (Table 2) show NSW performing at the top of the distribution of results. Such comparisons must be made with caution due to differences between the states in the age and length of schooling of the students tested. However, even when considering only those jurisdictions where students have had the same length of schooling at the time of testing (VIC, WA & TAS), NSW has the highest proportion of students achieving the minimum standard of literacy considered acceptable at this age; that is, the literacy 'benchmark'.

**Table 3. Apparent Retention Rates to Year 10 and Year 12, 1993 to 1999**  
per cent of students

		NSW	VIC	QLD	SA	WA	TAS	ACT	NT
1993	Year 10	96.9	99.0	100.5	96.1	100.7	98.5	99.8	71.3
	Year 12	66.5	75.6	79.2	80.5	72.9	58.9	112.6	50.7
1996	Year 10	94.2	93.9	98.2	90.1	97.4	96.4	98.1	69.6
	Year 12	62.3	69.4	69.7	59.9	66.4	50.2	108.2	41.3
1999	Year 10	95.2	95.9	98.4	93.0	98.3	97.2	96.0	84.4
	Year 12	61.2	69.8	71.8	58.1	60.8	65.7	110.0	60.0

Source: SCRCSSP (Steering Committee for Reporting on Commonwealth /State Service Provision), *Report on Government Services 2001* (Melbourne: Productivity Commission, 2001), Appendix 3.A

Retention to Year 10 in NSW public schools in 1999 was close to the national average rate of 96.1%. Retention to Year 12 was well below the national average of 66.4%. This is probably partially due to students transferring from government schools to non-government schools for the senior years, and is therefore also reflected in Table 4.

**Table 4. Declining Proportion of Students in Public Schools, 1970 to 2000**

	NSW	VIC	QLD	SA	WA	TAS	ACT	NT
1970	77.4	75.4	76.7	86.0	80.6	84.3	73.2	83.5
1980	77.6	73.7	78.4	84.2	81.6	83.2	70.6	84.5
1990	72.1	67.1	75.1	76.2	75.6	77.5	66.4	81.2
2000	69.4	65.9	71.3	69.8	71.0	75.2	63.5	77.4
% Change 1990-2000	-3.7	-1.8	-5.1	-8.4	-6.1	-3.0	-4.4	-4.7

Source: ABS, *Yearbook 1971* and *Yearbook 2001*, ABS Cat. 1301.0 (Canberra: Australian Bureau of Statistics, 1971 and 2001); MCEETYA (Ministerial Council for Employment, Education, Training and Youth Affairs), *National Report on Schooling 1989* and *National Report on Schooling 1990* (Melbourne: Curriculum Corporation, 1989 and 1990).

**NSW has the highest proportion of students achieving the minimum standard of literacy.**

The percentage of students in public schools in NSW is slightly lower than the national average. There has been an 8% decrease in the proportion of children in NSW public schools over the 30 years to 2000, and a 3.7% decrease in the decade to 2000. While this may not seem especially large, there are several contextual factors that must be kept in mind. First, not only has the *proportion* of students declined, but the *number* of students in NSW public high schools has also decreased in the last decade, while the number of students in non-government schools has been increasing steadily.

Second, the decline in the public sector share of enrolments has not been uniform across the state. In terms of student places, NSW public schools have an average occupancy rate of around 90%. In Sydney, however, where there are more non-government schools, the average occupancy rate of public schools is 49%, with some schools as low as 13%. As a result, the NSW Department of Education is embarking on a programme of closures and 'restructures' that involves around two dozen Sydney schools.

Third, the proportional decline in the number of students in government schools in Victoria from 1990 to 2000 was half as much as that in NSW.

### **Conclusion from these reports**

The overall weight of evidence is that NSW schools and colleges are not under-resourced in relation to other systems and that they are performing well on the only comparable measure of achievement, Year 3 literacy. There is, however, still a question of whether and how the performance of public schools might be improved. By initiating an inquiry into public education in NSW, the NSW Teachers Federation has clearly indicated its belief that this question is valid. The continuing loss of students to non-government schools, particularly in inner Sydney where students have more choices, is the only barometer of public satisfaction with the state's public schools, and suggests the need for improvement.

There is also the question of whether the distribution of funds between public schools is fair or equitable. There has been much criticism of the Federal Government's Socioeconomic Status (SES) funding system for non-government schools on the basis that it is not an accurate indicator of the school's financial need. Yet it has in its favour a level of transparency and accountability not apparent in the funding of public schools. The per pupil funding allocated to each public school ought to be subject to the same public scrutiny.

The share of government expenditure enjoyed by the education sector has been remarkably stable in the last 15 years, despite the many changes in social policy and the significant increase in the share apportioned to social security and welfare expenditure. However, since education funding has maintained its share as a proportion of GDP, it has increased in real terms as GDP has increased.<sup>3</sup> As the proportion of retired and childless people in the Australian population continues to grow, it will become difficult for the education sector to maintain its current share of public spending, let alone secure an increased share.

Also feeding into the reluctance of governments to respond to calls for increased funding has been the resistance of teachers' federations and education unions to agree to performance measurement that might show a link between increased funding and improved outcomes. Without a rigorous evaluation of how money is spent, it is difficult to argue that more resources are either necessary or beneficial.

Alan Odden, an American academic who has researched and written about school finances extensively, makes the following argument:

The point is not to deny that more money may be needed to improve education results by 100 to 200 percent—to raise the percentage of students scoring at or above proficiency . . . Rather it is to show that there are ways to use current resources better and that schools can begin the process of increasing student achievement with the funds already in the education system. More money may be needed to improve results, but the education system can begin to substantially improve student achievement with the dollars currently in the system.<sup>4</sup>

So, if the resources available to achieve the purposes and values of public education are realistic and apparently adequate, what of the structures needed to facilitate the most efficient use of these resources?

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## 2. CHARACTERISTICS OF A PRODUCTIVE PUBLIC EDUCATION SYSTEM

Research into school efficiency and effectiveness has become strongly focussed on the concept of school-based or site-based management. That is, making the school the central organisational unit and devolving more decision-making and financial control to the school level. In Australia, this sort of reform has been successfully implemented in Victoria, but has not been adopted in New South Wales, despite evidence of its positive effects on school education.

School finance expert Alan Odden is an advocate of site-based management for schools, based on research into the characteristics of productive, non-educational private sector organisations:

The most effective strategy has been to set clear performance targets at the top of the system, flatten the organisational structure, move decision-making down to work teams actually providing the service and hold them accountable for results. Indeed, high involvement or decentralised management is *the* rapidly rising organisational strategy used in the non-school sector of our economy to enhance organisational effectiveness and productivity.<sup>5</sup>

Odden stresses that decentralised management is particularly appropriate for those organisations carrying out complex, collegial and uncertain work in a rapidly changing environment. This form of management is therefore appropriate to schools.

The conclusion suggests that including school-based management (SBM) as the organisation/management strategy for implementing systemic reform is substantively supported.<sup>6</sup>

Priscilla Wohlstetter and Susan Albers Mohrmann<sup>7</sup> conclude, based on studies of both private organisations and government sectors that have successfully implemented site-based management, that decentralised management works best when four features are developed in the decentralised unit: power, information, knowledge and rewards.

From these, Odden developed a set of characteristics of a productive school system:

- a focus on the school as the key organisational unit
- devolution of power over the budget and personnel to schools
- development of a comprehensive school-level information system
- investment of dollars in professional development and training
- redesign of teacher compensation

In this submission, only the first three of these will be addressed in detail.

### **A focus on the school as the key organisational unit in NSW**

The Schools Renewal Strategy (called the Scott Reforms), implemented from 1989, sought to make individual school sites the focus of the NSW system. The role of central and regional offices and cluster directors was to assist principals in managing their own schools. Principals were given more financial and administrative autonomy but were also made more accountable for achieving curricular and educational goals.

Since the mid-1990s, however, there has been a steady 'recentralisation', and schools have again become administrative agents of central ('Bridge Street') authorities. In 1995, the newly elected Carr Labor government restructured the Department of School Education with the stated intent of 'removing an organisational layer' from the public school system and saving \$17 million. It abolished 432 positions, chiefly in regional offices, and moved 400 positions back to the State office level.<sup>8</sup>

The ten regional offices were replaced with 40 district offices each with a superintendent and about 20 staff. Cluster directors were replaced with a smaller number of district superintendents. Each district superintendent became responsible for 60 to 70 schools, compared with the 25 to 30 schools the erstwhile cluster directors supported. With this widened span of control, district superintendents have not been able to provide to individual principals the same level of support given by cluster directors.

Furthermore, because of their wide span of control and relatively few support staff, district superintendents have had little opportunity to encourage and mentor their

**NSW schools have again become the administrative agents of central ('Bridge Street') authorities.**

principals in school-based management. Instead they have effectively become ‘arms of head office’.<sup>9</sup> The hegemony of head office has been further increased by the district superintendent being required to sign a tight performance agreement with the Director General which is firmly focused on the head office agenda. Therefore, what this restructuring amounted to was an even greater level of centralisation—an enlarged head office and fewer directors liaising directly with schools.

These organisational changes have provided little systemic encouragement for schools to develop and implement school-based management. The sad history of school councils, a prerequisite of local school autonomy, is but one manifestation of the loss of impetus towards local school autonomy.

In a 1992 departmental discussion paper it was stated, ‘All schools will establish school councils in due course’. But councils are still not compulsory or even common. In 1997, the latest available date, only 43% of schools had school councils.<sup>10</sup> According to the Public Relations department at the NSW Department of Education and Training, records of the number of schools with school councils are not kept because school councils are no longer a priority.<sup>11</sup> Without any strong support from central administrators and without being given any significant role to play in overseeing the development and implementation of school policy, few schools have decided to establish and maintain councils.

### **Devolution of power over the budget and personnel to schools in NSW**

There is little publicly available information on the ways NSW government schools are financed. The official NSWDET website has a link to ‘funding arrangements’ and to a Director-General’s memorandum to schools on funding. Both links point only to criticisms of the Commonwealth funding of NSW government schools. Neither gives any information about how and what state budget allocations are made available to individual schools, or the amounts which local communities contribute to their schools through voluntary contributions, levies and fundraising activities. A NSW Department of Education budget document indicates that of the more than \$6 billion dollars in the school education budget for 2001-02, less than \$245 million dollars (5%) is allocated as global grants to schools, over which they have full discretion.

In 1992, the Scott Reforms attempted to give some flexibility to individual schools over staffing budgets. A discussion paper, *Your School’s Right to Choose*, was published by the NSW Department of School Education. Its key proposal was to allow schools some discretion to vary gradually the structure of their leadership and general staffing positions. Specifically, the paper included the proposal to give schools the opportunity to vary the number and mix of staff within their formula entitlement as vacancies occurred and within an acceptable statewide framework.

Even though this was a muted form of the initial Schools Renewal Strategy, it was vehemently and successfully attacked by the NSW Teachers Federation, which saw the proposal as a threat to teacher transfer mechanisms, tenure, career paths and to the preservation of teacher salary budgets.<sup>12</sup> The Federation also linked this proposal to the concurrent introduction of performance agreements between the Department and principals.

While there were wide community consultations on the discussion paper in the second semester of 1992, the Minister for Education chose not to proceed with the staffing devolution proposals of the discussion paper and there has been no move to do so since.

This means that schools have little or no control over how their budget allocations are spent, since the vast majority of recurrent funding is for staffing. Metropolitan schools tend to be more attractive to experienced, more qualified teachers, who are therefore more highly paid than their rural counterparts. Within metropolitan areas, higher socioeconomic areas have the advantage in attracting such teachers. This creates a funding discrepancy between these schools. The Productivity Commission’s *Report on Government Services 2001* provides information about per capita funding to the ‘most disadvantaged’

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schools, but does not provide the figures for schools of least or medium disadvantage for comparison, as this information is unavailable from the NSW Department of Education and Training. It is therefore not possible to determine how funding varies between these categories of schools. It may be the case that the least and most disadvantaged schools receive the most funding, while those schools in between receive a lesser amount.

If all schools were allocated recurrent funding on a publicly answerable per student basis, and were allowed to determine their own mix of teachers, there would be greater fiscal equity between schools, and greater capacity of schools to meet the needs of their students.

A study conducted in the US examined five schools with budget flexibility that had taken an innovative approach to staffing, and could provide evidence that they had achieved exceptional results. All schools worked with the same overall funding levels of traditional schools. Each school took a unique approach, depending on their students, but some of the techniques they used to make the most effective use of their resources included:

- Integrating special education classes with regular classes to reduce overall class sizes.
- Rotating all students through small groups for specialised attention, such as reading.
- Creating clusters of teachers to minimise the number of students each teacher taught in the course of a day and over a year.
- Organising art, music and physical education classes so that regular teachers could have more common planning time.
- Increasing regular class sizes and engaging teachers' aids, so that each class had a regular teacher and classroom aid.<sup>13</sup>

This is just one example of the ways that schools, when given the opportunity, can use available resources to maximise effectiveness. Schools might choose to reduce the range of their curriculum and focus more on key areas, replacing teachers of non-core subjects with teachers of core subjects and reducing class sizes. Some schools might choose to have fewer, more highly paid teachers and increase class sizes, while others might pursue smaller classes by having a greater number of less experienced teachers. Others still would combine the two. Schools that manage to have money left over after budgeting staff salaries might spend the difference on professional development or curriculum resource materials.

There is no suggestion that such a radical change could be introduced immediately and without planning. Administrators and principals would require training and extensive support for the initial stages. Budget devolution could be introduced gradually over a period of years, at the end of which schools have ultimate decision-making power over the vast majority of their expenditure.

### **Development of a comprehensive school-level information system in NSW**

The lack of consistent, objective information on school finance and school performance available to the public is a persistent source of frustration to parents, community members and researchers. Yet such information is critical to a productive public education system for two main reasons. First, it makes schools accountable to the population they serve, which acts as an incentive to perform to community expectations. Second, it is important for parents to be able to make informed choices about their child's schooling, as well as allowing parents and others to feel involved in a school and to advocate and agitate on its behalf.

Comprehensive, up-to-date information on school finance and performance not only helps schools to budget effectively, but also to identify problems within their own schools, seek out similar schools that have implemented successful programmes, and reward outstanding teachers or groups of teachers.



Despite calls from parent groups, academics and the media for better information on school performance, there has been little progress to date. Even the Director General of Education in NSW, Dr Ken Boston, has commented that ‘there is a conspiracy of silence . . . and a determination to avoid making public any information which might indicate that one school is more effective than another’.<sup>14</sup>

#### *‘Fairer Schools Information’ policy of the Carr Labor Government*

This was one of the education planks on which the Labor Party successfully won state government in 1995. The following are excerpts from this policy:

- The present level of public information about the educational performance of schools is inadequate, misleading and unfair.
- Parents, students and the wider community want fair, reliable and objective information about how our schools perform.
- The current ranking system is misleading for parents wanting to know how well a school improves student performance.
- The key question is the degree to which the school has enhanced the students’ performance—in other words, the educational value a school has added.
- We will request non-government schools to participate in the survey and believe these schools will also see fairer school information as being in their best interest.
- A Carr Labor Government will publish annually a school information guide . . . A committee involving teachers and parents from both government and non-government schools will oversee the preparation of this guide.
- A Carr Labor Government will correlate information on school performance with special factors such as social isolation, socioeconomic status and non-English speaking background, to develop a weighting index of how such factors affect educational outcomes.

#### *Fate of the ‘Fairer Schools Information’ policy*

In what a *Sydney Morning Herald* editorial<sup>15</sup> described as ‘a worthwhile initiative’ the Department of School Education published a list of the ‘top 25 primary and secondary schools’ which were ‘highly effective’ in ‘value-adding’ to student performance. The top primary schools were those whose students performed below the state average in the Year 3 basic skills test but above the average in the Year 5 basic skills test two years later. The top secondary schools were those whose Year 7 students began in 1990 below the state average performance (as measured by the basic skills test results at the end of primary school) but in 1995 had the same group performing above average in the HSC.<sup>16</sup>

Both the NSW Teachers Federation and the NSW Federation of Parents and Citizens Associations roundly criticised the initiative. The latter claimed that ‘compiling the lists was an abuse of the basic skills test results . . . This kind of reporting is going to be misunderstood and it is not going to serve kids or schools well’. The former accused the government of compiling league tables of schools. Its acting president said, ‘As a result of pretty shonky methodology, some communities are being made to feel good, some communities are being made to feel bad’.<sup>17</sup>

The criticisms of the methodology used to compile this list of schools are arguably valid. It does not, for example, take into account those schools that substantially increased the performance of already high-performing students. Yet instead of recommending that future analyses of school performance be conducted using more rigorous value-added measures, this was used as a lever to effectively prohibit any publication of standardised tests results except in a very aggregated form.

At its 1996 annual conference, the NSW Teachers Federation ruled out the use of basic skills test results for any form of school appraisal.<sup>18</sup> The Federation’s successful campaign against the publication of any information on the comparative performance of schools led to a remarkable amendment to the Education Act 1990. Section 18A (Amendment No. 127, Sch. 3(2), known as the Education Reform Regulation 1997) reads:

**The Teachers Federation led a successful campaign against the publication of any information on the comparative performance of schools.**

**‘Secrecy allows thousands of students every year to be sacrificed to protect bad teachers, bad schools and bad policies.’**

- (1) The regulations may make provision for or with respect to the extent to which the results of: (a) basic skills testing under Section 18 and (b) School Certificate and Higher School Certificate examinations or other assessments, may be publicly revealed or must be kept confidential.
- (2) The Minister is required to . . . have regard to the privacy of students and the potentially adverse effects of any inappropriate public disclosure of the results.
- (3) Despite anything else in this section, the Minister is to report to Parliament detailed information about the results so as to allow meaningful and substantial analysis of the effectiveness of schooling in achieving the aims of this Act and the government. The information should allow analysis of the effectiveness of all categories of schools and of government education provision for all students, including categories of students identified as in need of special provision.
- (4) A report must be made each year on the results of the previous calendar year. The information provided should allow a valid comparison to be made of standards from year to year.
- (5) Clause 12 of Schedule 1 to the Freedom of Information Act 1989 applies to a breach of the confidentiality provisions of regulations made under this section in the same way as it applies to an offence against an Act.
- (6) In this section, results means results of individuals or schools or any other results.

So determined were legislators to block public access to information that they inserted Clause 5, which effectively nullified the provisions of the Freedom of Information Act. With the authority of Clause 1, the NSW Department of Education and Training promulgated a code of practice on the use of performance indicator data which orders that: ‘Results to which this clause applies must not be publicly revealed in a way that ranks or otherwise compares the results of particular schools’ (Education Regulation 1996 Section 5, Clause 5).

Clause 3 of Section 18A of the Education Act 1990 requires that even though it is banned from being made public, information on the learning performance of (individuals or) schools must be made available to parliamentarians ‘to allow analysis of the effectiveness of . . . government education provision for all students’. This implies that the community of parents, who provide the resources and the pupils for government schools, cannot be trusted with information about the performance of their schools. This is entirely inconsistent with Clause 4(b) of the Education Reform Act 1990 which states that ‘The education of a child is primarily the responsibility of the child’s parents’.

In an article entitled ‘State of Secrecy: A *Herald* Investigation of Government Suppression’, *The Sydney Morning Herald* stated:

The Department of Education and Training says the ‘integrated data base’ (which contains information on 700,000 students in Years 10, 11 and 12 from the Board of Studies and the Universities Admissions Centre) is used to ‘prepare advice on key trends in education outcomes’. But for the past 16 months, education officials have refused Freedom of Information requests for access to almost all the information produced on school performances from the database . . . After a complaint from the *Herald*, the NSW Ombudsman’s office wrote to the department in May about the FoI request. ‘It would appear that the department has not dealt with or determined [these] FoI applications in accordance with either the spirit or the provisions of the FoI Act’, the letter said.<sup>19</sup>

Subsequently, one commentator was moved to write, ‘Secrecy allows thousands of students every year to be sacrificed to protect bad teachers, bad schools and bad policies’.<sup>20</sup>

### *School annual reports*

In 1996 the Carr Labor Government made a determined effort to have each school provide information to the public on its learning performance. A *Sydney Morning Herald* article stated:

Parents will for the first time receive detailed information on the performance of NSW government schools, including previously confidential details about the

Tertiary Entrance Rank, as part of new school report cards. From the second term next year, every government high school will have to release information about its performance compared with the rest of the state in key curriculum areas such as English, maths and science, highlighting strengths and weaknesses.<sup>21</sup>

It quoted the Premier, Mr Carr, as saying, 'In the past, parents have had to rely on anecdotes or gossip about how a school was doing. We are giving them for the first time comprehensive reliable accurate information and the parents deserve that.'

The Premier was subsequently supported by his Minister for Education who is quoted as saying, 'The Carr Government will push ahead with its election promise to provide parents with annual report cards on school performance, despite bans on Statewide literacy and numeracy tests by the NSW Teachers Federation . . . (T)he enterprise agreement signed by the union last year as part of a salaries agreement made it plain that the literacy tests were an essential part of the annual school reporting mechanism'.<sup>22</sup>

Despite these firm intentions, school annual reports have failed to provide 'comprehensive, reliable, accurate information' which 'parents deserve'. Out of frustration at this failure, the Director General of Education in NSW publicly complained that in the published annual school reports there had been a 'vague-up' of what should have been specific statements. They did not allow comparisons between schools. He is quoted as saying:

The quality of the first batch of annual reports has been, on the whole, disappointing. The communities we serve have a right to real information about their schools, not semi-fudges and shadow plays akin to a puppet show. We have used up too much of the reservoir of community trust and goodwill by not being up-front about areas where we need to do better. Suspicion is turning to unease and disbelief. We simply cannot delude ourselves that we can carry on much as we have done, largely immune from the sort of scrutiny which occurs in other parts of public life.<sup>23</sup>

### *Reporting on school and student achievement*

Academics have also criticised the lack of information about school and student performance available to parents and the public. In 'Reporting on Student and School Achievement', Professor Peter Cuttance and Shirley Stokes claim that there is 'a lack of objective standards that parents can use to determine their child's attainment and rate of progress'<sup>24</sup> and 'a substantial gap between the information that parents say they require and the information available in the public domain'.<sup>25</sup>

Stephen Crump suggests that 'issues of authority and power deep-rooted and often non-negotiable' are at the heart of the problem.<sup>26</sup> That is, schools and teachers believe that they do not need to be accountable to parents, and that parents' role in education should be merely supportive. Indeed, Cuttance and Stokes conclude that 'school accountability is clearly weighted more towards reporting to system bureaucracies than to parents'.<sup>27</sup> They also find that parents 'explicitly reject the nineteenth century view that the State/Territory is responsible for the education of children',<sup>28</sup> instead wanting recognition that parents, 'not the school, are ultimately responsible for managing the education of their children'.<sup>29</sup>

Parents want information on the performance of students and schools for many reasons. Accountability is only one of them, albeit an important one. Cuttance and Stokes found that parents 'believe that a system [of reporting] based on state/territory level standards would expose under-performing teachers and put pressure on them to improve'.<sup>30</sup>

Parents want objective information on their own child's achievement so that they can assess how their child compares to others. Parents use school achievement information when choosing a school and so that they can evaluate how well schools are performing. However, although parents value information about school success rates in standardised tests and the like, they are aware of the limitations of this information, and rarely assess schools on this basis alone. They also consider the social and disciplinary aspects of a school when making an assessment of what is a 'good school' and what is the right school for the particular needs of their child.<sup>31</sup>

**Some schools and teachers believe that they do not need to be accountable to parents.**

## Conclusions

Attempts over the last decade to lead public education in NSW toward establishing the characteristics that sustain a productive school system have been consistently and systematically blocked, most notably by the efforts of the NSW Teachers Federation.

If public education in NSW is to be competitive and relevant into the future, this cannot continue. An increasing number of parents are choosing non-government schools over state schools, a situation that will persist unless state schools respond to the challenge to provide the education and school environment parents prefer. The best way to do this is to provide schools with the means and the autonomy to respond to the particular needs of their school communities, and by providing parents, schools and the community with the information they require to institute and support change.

### 3. A SCHOOL SYSTEM THAT DISPLAYS THESE CHARACTERISTICS: PUBLIC EDUCATION IN VICTORIA

The decentralisation reforms outlined above were introduced in Victoria in the early 1990s, and are now part of the institutional structures of Victorian public education.

#### The school as the key organisational unit and devolution of power over the budget and personnel to schools

Relevant features of the Victorian system include:<sup>32</sup>

- around 90% of the state budget for school education devolved to the school level
- schools are allocated a base grant, calculated on a per capita basis and dependent on the special physical, educational and geographical characteristics of the school's students
- local selection of principals and teachers; permanent teachers are contracted to the state but negotiate performance agreements with schools
- principals choose the staff mix, manage the staff budget, select permanent teachers and non-teaching staff, determine staff workloads, select temporary teachers
- Professional Recognition programme provides career structure for teachers
- performance management framework for principals and leading teachers

Significantly, the incoming Bracks Labor Government not only accepted the devolutionary reforms but sought to enhance them by launching a review of public education (chaired by Ms Lindsay Connors, one of Australia's leading advocates for public education) to provide a forum for 'parents, teachers and principals to join in the conversation with government about what is best for the next generation of Victorian students'.<sup>33</sup> The review's first term of reference was:

Options for school funding models which enhance local school flexibility and management effectiveness within an equitable State framework and which provide higher levels of accountability for the use and management of resources.

The report of the Ministerial Working Party was called *Public Education—The Next Generation* (The PENG Report). Its Executive Summary states that:

... moves over the past three decades to give schools greater freedom and flexibility in the delivery of education have been generally beneficial. Self-managing schools have been a successful innovation for Victoria and should constitute the cornerstone of the next stage of development. This enhanced self-management requires renewed government support for public schools, collaborative networks of schools and commitment to learning excellence in all schools.

#### Development of a comprehensive school level information system

The PENG Report discusses reporting to parents and the community at length. It acknowledges that 'reporting contributes to public accountability related to the

**The incoming Bracks Labor Government not only accepted the devolutionary reforms, but sought to enhance them.**

effective use of Government resources to achieve high quality outcomes for students' and that 'reporting helps to build community confidence in public schools, through increased knowledge and understanding of the work they perform and the successes they achieve'.<sup>34</sup>

In *The Future of Schools*,<sup>35</sup> Brian Caldwell and Don Hayward detail the accountability framework of the school reforms in Victoria. According to Caldwell and Hayward, schools ought to be 'fully accountable to their local community and the wider community'.<sup>36</sup> The most important element is the Annual Report, which reports on student achievement as well as progress in achieving the objectives set down in the school's charter. This report is scrutinised by an independent agency, the Office of Review, which brings matters of concern to the attention of the Minister and the school council. It is also available to community members, who are given the opportunity to raise concerns with the school council.

Other major aspects of the accountability framework are the 'in-depth review of the school's performance every three years', as well as a 'stringent audit each year of its financial management and performance' by independent auditors.<sup>37</sup> Caldwell and Hayward do not say whether this information is available to the public.

The PENG Report claims that 'school annual reports and triennial reviews are a well-established part of school operations'.<sup>38</sup> The reports provide a wide variety of information on student achievement, curriculum and school operations. Cuttance and Stokes' review of school reporting in Australian education systems confirms this, stating that:

Very few systems systematically report on school profiles of achievement, either in standardised tests or in relation to criterion-based outcomes, against externally established benchmarks or state/territory means. Only Victoria has such a process in place for all thirteen years of schooling.<sup>39</sup>

Although the Victorian public school system has the most comprehensive reporting at the school level, it is still struggling with reporting at the system level. The PENG Report acknowledges the importance of protecting personal privacy and the dangers associated with publishing inadequate or misleading data, but also recognises that 'once school and system level data exist, it is neither sustainable nor appropriate to deny people access to it'.

Recommendation 11 addresses the matter of providing information about school learning performance to local communities:

- (a) That the Department, in reporting publicly on the performance of schools, should draw on a range of information and indicators derived from schools, in order to provide a full and rich picture of performance, including student achievement.
- (b) That the Department develop, in consultation with school communities, materials to support schools in providing reports to parents and the local community that provide a comprehensive and meaningful picture of the school's performance and achievement.
- (c) That sample school report forms be developed that give parents the information they need to support their children's schooling, including information on each student's progress at school; and in relation to school and statewide standards, on their strengths and on ways in which they can improve.
- (d) That the Department, in consultation with schools, investigate ways in which information and communication technology can assist in providing information on student performance in ways that strengthen the partnership between the home and school.

Victoria's public school system, while concerned about the same issues in public reporting that have frustrated efforts in other states, has made considerable progress in increasing public accountability through information. There are still struggles over the nature and ramifications of system-wide reporting, but this does not seem to have deterred efforts to establish this in due course.

**Victoria's public school system has made considerable progress in increasing public accountability through information.**



**School-based management is an effective means of improving school performance without increasing recurrent funding.**

## Conclusions

The Victorian public school system has, after inevitable initial disruption to school routines and established practices, embraced the decentralisation reforms. It now exhibits many of the characteristics identified as critical to a productive school system. In fact, an assessment by an independent research team led by Alan Odden concluded that 'it currently represents one of the world's most comprehensive, well designed and promising approaches to decentralised school.'<sup>40</sup>

The much lower rate of attrition of student numbers in Victorian public schools over the last decade, compared with previous decades and with other states, indicates that public satisfaction with public schools in Victoria may have increased with the introduction of the school-based management reforms.

It is not possible, however, to present statewide test statistics that would demonstrate the impact of this strategy on learning outcomes because there is no baseline achievement data against which comparisons can be made. This situation exists for two reasons: first because no systematic monitoring of achievement had been conducted prior to the reforms; and, second because of union bans on providing student achievement information to researchers in the first phase of the reforms.

Instead, the judgements of school principals on the extent of improvement in teaching, learning and curricula were surveyed. On the basis of these surveys, it appears that student learning and achievement has been enhanced by the reforms. The Cooperative Research Project reported in 1998 that '84% of principals gave a rating of 3 or more on a 5-point scale of 'low' to 'high' on the extent to which the expected benefit of 'improved learning outcomes' had been realised in their schools.'<sup>41</sup> Parallel smaller research projects conducted in Victoria using a sample of schools have revealed promising results so far, even during the difficult transition period, with some evidence of both improved literacy performance and teacher satisfaction.<sup>42</sup>

This evidence points to indirect links between the structural aspects of the 'Schools of the Future' reforms and gains in student learning, mediated through the Curriculum and Standards Framework implemented at the same time. Detailed analyses of the surveys point particularly to the benefits of schools 'taking up the capacities for self-management, targeting their resources at professional development programmes in areas of high priority and tailoring their curriculum to meet the particular mix of learning needs in their school'.<sup>43</sup>

The situation in other countries where site-based management reforms have been implemented is similar. In England, for example, the budgetary impact has been commendable, and research indicates that principals in England are satisfied that learning has been advantaged, with a large and increasing majority of principals expressing their support for decentralised resource management.<sup>44</sup>

A study comparing the educational policies of countries participating in the Third International Maths and Science Study with their performance found that 'institutional variation across countries explains far more of the variation in student test scores than do differences in the resources devoted to education'.<sup>45</sup> Some of the significant features associated with higher test scores were: a higher share of public education spending going to private institutions; a larger share of enrolments in private institutions; schools with more decision-making powers; schools hiring their own teachers; schools determining their own teacher salaries; and individual teachers (not teachers' unions) having considerable influence on the curriculum. All these features involve devolution of responsibility to schools and support the argument that the level of resources is less important than the way in which they are spent.

There is support, therefore, if limited, that school-based management is an effective means of improving school performance without increasing recurrent funding. Of course, any reforms entail considerable expense, so this must be taken into consideration. But the evidence above provides reason to believe that any initial outlays involved would be a sound investment.

## 4. STRUCTURES NEEDED TO ACHIEVE THE PURPOSES AND VALUES OF NSW PUBLIC EDUCATION

### Recommendations for change

There is very little difference in the purposes and values espoused by the public school systems of NSW and Victoria, but they have been pursued within very different systemic structures. The Victorian system has embraced a devolved approach which gives precedence to school-based management and accountability. In NSW there has been a rejection of the Schools Renewal Strategy, which sought to pursue a similar approach to that of Victoria, and a decisive reversion to a less flexible, more centralised systemic structure. At least some of this is due to the conservative influence of the NSW Teachers Federation. However, the increasing demands on schools and increasing pressure on public funds have created the need for public school systems to manage their resources in the most efficient way possible. This requires that new options be explored.

The structures recommended to effectively lead the NSW public school system into a new era of efficiency and high performance are obvious from the earlier discussion. Schools need to be able to respond to the needs of their students, using their own experience and expertise, and with the support and informed participation of their communities. Prevention of the establishment of these structures, out of fear of change or out of self-interest, is shortsighted and denies the present and future students and teachers in NSW public schools the opportunity to reap the benefits of what has been identified as world's best practice in school management.

### Endnotes

- <sup>1</sup> *The Sydney Morning Herald* (1 June 1998), 5.
- <sup>2</sup> The Adelaide Declaration is freely available from <<http://www.curriculum.edu.au/mceetya/nationalgoals/natgoals.htm#nat>>.
- <sup>3</sup> R. Harrold, *Resources in Education* (Melbourne: Australian Council For Educational Research, 1998).
- <sup>4</sup> A. Odden and E. Odden, *The Victoria, Australia Approach to School-site Management* (Wisconsin: Consortium for Policy Research in Education, 1996).
- <sup>5</sup> A. Odden, 'Decentralised Management and School Finance', *Theory Into Practice* 33: 2 (1994), 105.
- <sup>6</sup> As above, 106.
- <sup>7</sup> P. Wohlstetter and S. A. Mohrman, *Site-based Management: Strategies for Success*, Finance Brief (New Jersey: Consortium for Policy Research in Education, State University of New Jersey, 1993).
- <sup>8</sup> *The Sydney Morning Herald* (10 October 1995), 5.
- <sup>9</sup> Sharpe in *The Sydney Morning Herald* (17 August 1998), 10.
- <sup>10</sup> NSW Department of School Education, *DSE Annual Report 1997* (Sydney: Department of Education and Training, 1998).
- <sup>11</sup> Personal communication (22 October 2001).
- <sup>12</sup> *The Sydney Morning Herald* (18 June 1992), 4.
- <sup>13</sup> Miles K. Hawley and L. Darling-Hammond, *Rethinking the Allocation of Teaching Resources: Some Lessons From High Performing Schools*, CPRE Research Report RR-38, (Pennsylvania: Consortium for Policy Research in Education, University of Pennsylvania, 1997).
- <sup>14</sup> K. Boston, 'For the Record', *School Education News* (1 May 1996), 2.
- <sup>15</sup> *The Sydney Morning Herald* (28 November 1996), 14.
- <sup>16</sup> *The Sydney Morning Herald* (25 November 1996), 1.
- <sup>17</sup> *The Sydney Morning Herald* (26 November 1996), 4.
- <sup>18</sup> *The Sydney Morning Herald* (29 November 1996), 1.
- <sup>19</sup> *The Sydney Morning Herald* (12 March 1999), 1.
- <sup>20</sup> M. Goldsmith in *The Sydney Morning Herald* (13 July 1999), 17.
- <sup>21</sup> *The Sydney Morning Herald* (29 November 1996), 1.
- <sup>22</sup> *The Sydney Morning Herald* (18 February 1997), 5.
- <sup>23</sup> *The Sydney Morning Herald* (2 April 1998), 1.
- <sup>24</sup> P. Cuttance and S. Stokes, 'Reporting on School and Student Achievement' (Canberra: Commonwealth Department of Education, Training and Youth Affairs, 2000), xi.
- <sup>25</sup> As above, 19.

**Schools need to be able to respond to the needs of their students, using their own experience and expertise.**

- <sup>26</sup> S. Crump, 'Schools and Their Communities: Tensions and Tradeoffs', *Politics of Education Association Yearbook 1996* (1997), 42.
- <sup>27</sup> Cuttance and Stokes, 'Reporting on School and Student Achievement', 32.
- <sup>28</sup> As above, 56.
- <sup>29</sup> As above, 71.
- <sup>30</sup> As above, 49.
- <sup>31</sup> As above, 79.
- <sup>32</sup> Cooperative Research Project, *Assessing the Impact: The Final Report of the Cooperative Research Project, Leading Victoria's Schools of the Future* (Melbourne: Community Information Service, Education Victoria, 1998); B. J. Caldwell, 'The Significance of School Finance Reform in Victoria', in *School Resourcing: Models and Practices in Changing Times*, ed. Peter Karmel (Deakin West, ACT: Australian College of Education, 2000); B. J. Caldwell and D.K. Hayward, *The Future of Schools: Lessons From the Reform of Public Education* (London: Falmer Press, 1998).
- <sup>33</sup> Media release (27 March 2000).
- <sup>34</sup> DEET (Department of Employment, Education and Training), *Public Education—The Next Generation* (Melbourne: DEET, 2001), 60.
- <sup>35</sup> Caldwell and Hayward, *The Future of Schools*, 56.
- <sup>36</sup> As above, 56.
- <sup>37</sup> As above.
- <sup>38</sup> The Peng Report, 60.
- <sup>39</sup> Cuttance and Stokes, 'Reporting on School and Student Achievement', 28.
- <sup>40</sup> Odden and Odden, *The Victoria, Australia Approach*, 62.
- <sup>41</sup> Cooperative Research Project, *Assessing the Impact*, 96.
- <sup>42</sup> See Caldwell, 'The Significance of School Finance Reform in Victoria'.
- <sup>43</sup> As above, 50.
- <sup>44</sup> A. Bullock and H. Thomas, *The Impact of Local Management in Schools: Final Report* (Birmingham: University of Birmingham and National Association of Head Teachers, 1994).
- <sup>45</sup> L. Woessman, 'Why Students in Some Countries Do Better: International Evidence on the Importance of Education Policy', *Education Matters* (Summer 2001), 74.