



AUSTRALIA by Brian J. Caldwell

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Overview

There are several seemingly intractable problems in education in Australia and efforts to address them are gathering momentum even though educational reform and strategies for school improvement have been underway for nearly four decades. These problems include the disparity in achievement between high and low performing students,¹ including distressingly low levels of success for the nation's indigenous students;² a fragmented approach to school governance across the six states and two territories, where constitutional powers to make laws in relation to education lie; continuing and often debilitating debates about school choice, especially in relation to public (government, state) schools and private (non-government, independent) schools; and the content of curriculum and approaches to learning and teaching. Despite these problems, Australia's students generally perform well in international tests of student achievement such as the Program for International Student Assessment (PISA) and the Trends in Mathematics and Science Study (TIMSS).³ There is, however, a general view that the country could do much better, not only in addressing the aforementioned problems, but in ensuring that schools help ensure that Australia will thrive in an era of globalization. The economic crises as the first decade of the 21st century drew to a close impacted Australia to a lesser degree than

comparable countries. However, the need to set priorities in how to address the problems is critical.

In this chapter I will describe the policy framework for current efforts in school reform, with a focus on the emergence of what has been termed ‘new federalism’; summarize trends in decentralization, community engagement, choice and accountability; highlight what are emerging as ‘hot topics’ in policy discourse – the funding of schools and student outcomes; and assess the significance of these developments in the international arena. The first part of the chapter draws in part from a more detailed account in Caldwell (2011a) while the last part draws extensively from Caldwell (2010) and Caldwell (2011b).

Policy framework

Much of the reform effort is connected with the challenge of achieving what has been termed ‘new federalism’. As noted above, constitutional powers to make laws in relation to education lie with the states but the federal or commonwealth government has a very important role to play because of its financial powers. For example, it is the only level of government that has the power to raise funds through an income tax, and it must make decisions on how grants will be disbursed to the states and territories. There can only be a truly national approach if there is broad agreement across both levels of government and an arguably unprecedented effort is being made to achieve such an outcome through what are known as National Partnerships Agreements.

International observers in most other countries will be surprised that a national framework is not already in place, since this is the normal arrangement elsewhere. In this respect, considering nations around the Asia Pacific, Australia is more like Canada and the United States. Indeed, the constitution that established Australia as a nation in 1901 is in many respects modeled on that of the United States, including education, with the challenge of developing a national perspective much greater in the latter, with 50 states, than in Australia, with six states and two territories. There is, for example, no national curriculum in the United States and the likelihood of developing one is remote, whereas Australia is close to introducing one. Canada presents another contrast, with the federal government in that country having virtually no role in school education except for indigenous students and children of military personnel.

It has proved to be politically difficult for Australia to create a national framework but there was a major breakthrough in late 2007 when the Rudd Labor Government took

office. This framework is critically important in the overall reform agenda across the nation.

It is important to note that 'national' in this context has a different meaning to 'federal' or 'commonwealth'. The former refers to an outcome that reflects a consensus or agreement among different levels of government, federal as well as state and territory. 'Federal' or 'commonwealth' refers exclusively to decisions of the government at that level. For many years, that level of government was known as the Federal Government or the Commonwealth Government, although, in recent years, Australian Government has been adopted, whereas the state and territory governments use the names of their jurisdictions, such as the Victorian Government or Government of Victoria.

Given the alignment of powers in Australia's constitution, efforts to create a national framework in education can only succeed if there is agreement among governments at the state and territory levels. The Australian Government must be party to such agreements because of its power to make grants to the states and territories. Broad funding for schools from the Australian Government is normally in four-year quadrennial periods but particular grants through National Partnership Agreements may be of shorter duration. The Australian Government is the major source of public funds for private schools whereas state and territory governments are the major source of public funds for public schools.

New federalism

The idea of 'new federalism' gained currency in early 2008 and is in part an outcome of all governments in Australia at that time being of the same political persuasion (Labor), as well as palpable need, given the fragmented nature of much of the existing policy framework across the nation (this party political alignment has since been broken with Labor governments defeated in state elections in New South Wales, Queensland, Victoria and Western Australia).

Arrangements from 2008 reflected an intention of the Labor Government to lead an 'education revolution'. An explanation of what constituted an education revolution was provided by former Prime Minister Kevin Rudd and Deputy Prime Minister Julia Gillard, who also served at the time as Minister for Education, Employment and Workplace Relations,⁴ framed by the following rationale⁵ that highlights economic, social and individual benefits:

The Rudd Government is committed to creating an education revolution to build a world class education system, which would establish Australia as one of the most highly educated and skilled nations.

This commitment recognizes the central role that education plays in the economic, social strength of our nation. Education not only drives productivity but also empowers individuals to reach their full potential, and helps overcome disadvantage.

Beyond economic growth, education creates social benefits that help build social capital. Societies with a strong commitment to education enjoy higher levels of civic participation, greater social cohesion, lower levels of crime and disadvantage, and a more trusting, equitable and just society.

An early illustration of the new federalism in action was the establishment of the National Curriculum Board (NCB) in April 2008. The NCB was re-named with expanded powers in 2009 and is now the Australian Curriculum, Assessment and Reporting Authority (ACARA). ACARA brings together, for the first time, the functions of curriculum, assessment and reporting. The Australian Institute for Teaching and School Leadership (AITSL) was established in January 2010.

Rudd and Gillard acknowledged that there were many excellent schools in Australia and that 15 year-olds did significantly better than the OECD average in PISA. However, they drew attention to decline in reading literacy from 2003 to 2006, the 'long tail' of underperformance linked to disadvantage, the drop in performance at the top end of achievement from 2003 to 2006, and the concentration of the 'tail' among indigenous students and students from low socio-economic status families. They built the case for reform in terms of the nation's productivity and declared that improving student outcomes is a national priority. Priorities in three 'core areas' were set: (1) raising the quality of teaching; (2) strategies based on high expectations and engagement and transitions for every student, especially those in disadvantaged communities; and (3) improving transparency and accountability of schools and school systems at all levels.⁶

Agreement was reached on strategies and funding arrangements. Outcomes include agreements with the states and territories on a national curriculum from 2013, increased funding for school buildings (Building the Education Revolution),⁷ the adoption of ICT (the Digital Education Revolution),⁸ greater transparency in the reporting of student achievement and school performance (National Assessment Program – Literacy and Numeracy) (NAPLAN), the creation of a web site (My School)⁹ to provide a higher level of transparency on the performance of schools, standards for teaching and school leadership, and higher levels of autonomy for public schools.

Decentralization, community engagement, choice and accountability

A famous commentary on the assumptions underlying Australian education was offered in 1955 by Freeman Butts, a distinguished Fulbright Scholar, visiting from Columbia University, who undertook an extensive and comprehensive study of education in Australia. Butts observed:

I have been struck by the fact that the centralized Departments of Education in Australia, for all their power, are hemmed in by parliament, by cabinet, by ministers, by public service boards, by teachers' tribunals, by appeals and arbitration boards, by public works departments, and by treasury and budget officials. These are all outside the fold of professional educators. It is assumed that these groups are qualified to make decisions about education, but it is also assumed that other non-professional persons in the community are not expected to be able to make qualified or valid judgments about education.¹⁰

Butts acknowledged that 'it is true, of course, that much discussion and conferring may go on between top officials and lower ones, but the impression I received is that there is relatively little of it, although there is a variety of practice here.'¹¹ Butts wondered 'whether you miss something of the vitality, initiative, creativeness and variety that would come if the doors and windows of discussion were more open up and down the educational edifice.'¹² The following is a brief summary of developments since 1955 in relation to decentralization, community engagement, choice and accountability.

Decentralization was a common element of the restructuring movement that began in the 1980s and continues to the present. Some like Victoria have gone further than others, with more than 90 percent of the state's recurrent education budget now decentralized to schools for local decision-making within a centrally- determined framework of policies, priorities and accountabilities. It is noteworthy that the Bracks Labor Government increased this proportion following the earlier initiatives of the Kennett Liberal-National Coalition Government in a parallel to what the Blair Labour Government did in Britain in extending the local management program of the Thatcher Conservative Government.

Australia is working to an unfinished agenda in relation to community engagement. Limited engagement was described by Butts (1955) as noted above. Questions were still being raised in 1973 with the Interim Committee of the Australian Schools Commission (1973) observing that 'after almost one hundred years of public education a reappraisal of relationship of the school to the wider society is taking place in Australia, as it is in most industrialized nations. The isolation of schools is

being questioned’, but declaring that ‘antipathy towards and apathy about community participation in the governance of schooling is widespread throughout Australia’.

The idea that the school should be ‘the nucleus of the community’ in the sense described above, has not taken hold to any great extent and it is still regarded as an innovation. The Prime Minister and Deputy Prime Minister’s statement on the education revolution in 2008 drew attention to initiatives elsewhere, noting that ‘The United Kingdom’s full service extended schools initiative demonstrates the importance of allowing schools to develop tailored plans to meet the priorities of the local area by bringing different strands of extended service provision together into a coherent approach’ and flagging further reform to ‘achieve stronger links between schools and the services available in local communities that will support their students’ engagement in learning.’¹³

Recent years have been characterised by the inter-twining of four issues: needs-based funding, the exercise of choice, the appointment of staff, and the nature of public education. There has been general acceptance of needs-based funding across the political spectrum and more generally within the Australian community. The debate has been largely about what constitutes need, how it is measured, and what quantum of funds should be delivered. Some stakeholders have preferred a mainly per capita approach (that is, a basic grant for all) with a needs-based component, but a pure form of a per capita approach along the lines of a voucher has been rejected, either on ideological or pragmatic grounds, and there appears little prospect of it being adopted. Determining need and the quantum of support has been the focus of much of the debate in recent times, with the complex categorization in the Education Resources Index (ERI) giving way to the Socio-economic Status (SES) model introduced in the Howard Liberal- National Coalition years and sustained by the Rudd-Gillard governments, at least until 2014 after a review set up in 2010 (see below). Until the election of the Rudd Government, the Labor Party has sought to limit (or even eliminate) funding to what are portrayed by some as ‘wealthy independent schools’, a stance described in some public commentary as maintaining the ‘class divide’ or continuing to fight a ‘class war’. It seems unlikely that it will adopt this stance in the future.

There has always been agreement that Australian parents have the right to choose a non-government school for their children.¹⁴ However, there now seems to be broad acceptance of the view that all those who choose a non-government school should receive some financial assistance by way of government grants. Nevertheless, the issue is the extent to which the exercise of choice in favor of a non-government school should result in the allocation of public funds, particularly if the non-government school that is chosen charges high fees and is resource-rich. This may be the clearest example in the contemporary setting of education policy and education funding

reflecting a broader development in society. The same development is evident in health care and, increasingly, in all human services. At the federal level, both the Liberal-National Coalition and Labor accept the notion of choice. At issue is how the exercise of choice should be supported with public funds and, in particular, where this leaves government schools that are losing market share in all states.

While there is broad agreement among the major political parties that public schools should have a higher level of autonomy, operating within a broad central framework, arrangements vary across the nation when it comes to the appointment of staff. In Victoria, cited above, schools have a high level of discretion in the selection of staff even though the formal contract, as it were, lies with the state. Indeed, teachers apply directly to individual schools when there are advertised vacancies, and selection panels are set up at the local level. Appointments are limited by the overall school budget and by salary levels and other conditions that are the subject of collective agreements between the Australian Education Union and the Victorian Government. This approach has been in place in Victoria for nearly 20 years. In only one other state is there the same degree of autonomy in respect to the appointment of staff. Western Australia has established a new class of schools, which are known as ‘independent public schools’, which can select staff in a similar manner to Victoria.

Elsewhere around Australia the appointment of staff in public schools remains contentious. In some instances the reasons are straightforward, for example, in remote locations or highly disadvantaged settings where it is not possible to have local selection. Union opposition to local selection remains.

The Australian Government has entered into National Partnership Agreements with each state and territory government, systems of non-government schools, and independent private schools to implement projects across the country under the rubric of Empowering Local Schools. Implementation is to be achieved by 2018 with acknowledgement that there will be a variety of approaches in different jurisdictions.

These arrangements in respect to staff place public schools at a comparative disadvantage to private schools which generally have freedom to select whom they will employ subject to appointees having the required qualifications for teaching. Independent schools generally have a higher level of autonomy than, for example, systemic Catholic schools, but the discretion enjoyed by the latter exceeds that for public schools.

The nature of public education remains an issue. For some, the concept of ‘public education’ should extend to all schools that are in receipt of public funds, with an expectation that there should be a common framework of accountability. For others, public education is still synonymous with government education, that is, schools that are funded, built, owned, operated and staffed by the state. They maintain their

opposition to the steady increase in funding for non-government schools in its different forms and the quantum of funds in the allocation. They see the apparent neglect of the government sector as manifested, for example, in the quality of facilities and the disparity in services and support for staff and students.

A notable development is the strengthening of frameworks for accountability. Funds will not be granted by government at any level unless pre-conditions are agreed and rigorous reporting is required to demonstrate fidelity in implementation. Although recipients of federal aid have always been required to be financially accountable, the nature of state aid to non-government schools today would be unrecognizable to early proponents.

The federal government more than ever before is a major distributor of public funds for all public sector services in Australia. It has played a major role for decades through its sole power to levy income tax and re-distribute some of the proceeds through the work of the Commonwealth Grants Commission. The states levy a range of smaller taxes to support their efforts in areas of state responsibility. The picture changed in dramatic fashion in 2000 with the advent of the Goods and Services Tax, levied and collected by the federal government, but delivered in entirety to the states.

These views of the role of the federal government in matters of policy prescription, service provision and rigorous accountability, suggest that there is a larger issue to be resolved, namely, the nature of federalism in Australia and the role of the federal and state governments in the provision of education in government and non-government sectors. There are several scenarios for how this issue will be played out.

In summary, there appears to be broad acceptance in Australia that needs-based funding and choice should be the basis of state aid to non-government schools, although differences in policy and practice on the emphasis to be given to each of these may change with a change in government. The mechanisms for determining need and the associated quantum of funds will be the subject of more-or-less continuous refinement, as they are in systems of government schools that operate with a high degree of decentralization, as is the case in Victoria.

Key policy issues

The hottest topics at the time of writing (early 2012) are the funding of schools, especially the allocation of public funds to public and private schools, and educational outcomes in relation to other countries.

As illustrated in Table 1, the trend to private schooling has been sustained over four decades. The global financial crisis has had no discernible impact.

Table 1: Enrollment changes by sector, expressed as a percentage of all enrollments, 1970-2008¹⁵

Year	Public	Private		
		Catholic	Independent	Total
1970	78 percent	18 percent	4 percent	22 percent
1980	78 percent	18 percent	5 percent	23 percent
1990	72 percent	20 percent	8 percent	28 percent
2000	69 percent	20 percent	11 percent	31 percent
2008	66 percent	20 percent	14 percent	34 percent

The shift to private schools is most evident at the secondary level, especially for the final years. Table 2 shows the distribution of students by sector in Year 12 in 2008. In large capital cities such as Brisbane, Melbourne, and Sydney, public schools now serve a minority of students in year 12. In the Australian Capital Territory (ACT) which includes the capital of Australia (Canberra), the majority of secondary students now attend schools in the private sector, the first time that this has occurred in the nation.

Table 2: Percentage distribution of students by sector in year 12 in 2008¹⁶

Public	Private		
	Catholic	Independent	Total
57.3 percent	22.6 percent	20.1 percent	42.7 percent

Funding for public and private schools is under review. This process occurs every four years, but the current review is the most far-reaching since 1973 when the Karmel Report¹⁷ was released. In 2010 the Australian Government established an expert panel chaired by David Gonski, an eminent businessperson and former board member of a private school, to conduct the review, which reported in December 2011 (Gonski

Report).¹⁸ Recommendations included the continued support of public and private schools to the point that no school should be funded at a lower level than is currently the case. A National Schools Resourcing Body was proposed that will establish a 'resource standard' on the basis of an evidence-based determination of the funds required to offer an outstanding education for all and close the gap between high and low performing students. A needs-based funding mechanism was advocated that takes account of parents' capacity to contribute to the costs of private schooling. There was a particular focus on financial support for students in highly disadvantaged settings (the SES model will be maintained) and for students who have special needs.

Initial response from the profession was generally positive but some state and territory governments were critical because implementation from 2014 will require a substantial injection of funds from all levels of government in a time of fiscal constraint. The mixed response from states and territories was divided on political lines between Labor and non-Labor governments. There was no assurance at the time of writing that implementation will proceed as recommended or, if it does, that traditional lines of often-heated debate will not continue.

The Gonski Report noted how the performance of Australian students had declined relative to high performers in PISA such as Hong Kong, Korea, Shanghai and Singapore. The same evidence was cited in a report of the independent Grattan Institute,¹⁹ released shortly before the Gonski Report, but it was suggested that, while funding is important, a high priority must be given to improving the quality of teaching, as has been done in the East Asia countries mentioned in both reports.

Requirements for transparency and accountability are especially contentious. As noted above, the performance of all public and private schools is available on the My School web site. The web site reports student performance on national tests of literacy and numeracy (NAPLAN) and basic descriptive and demographic data. But the web site also reports the performance of each school in years 3, 5, 7, and 9 and compares them to 'like schools' anywhere in the country and schools in the same geographic location. The March 2011 version reported changes in performance of students who took the tests two years ago, thus providing a value-added measure for each school. Significantly, the report for each school describes its sources of revenue and the current state of its finances. The financial reports are particularly contentious. Indeed, a first attempt to launch the latest version of My School was aborted in December 2010 when many schools, especially private schools, challenged the financial reports.

Whereas 'cooperative federalism' was the mantra from 2008, terms like 'coercive federalism' or 'competitive federalism' are now cropping up in policy discourse. National testing and creating long lists of standards for teachers and school leaders may not be the answer. Rebuilding large numbers of run-down public schools hasn't reversed the trend of students attending private schools. The jury is still out on whether granting public

schools higher levels of autonomy will make much of a difference, despite international evidence that the best-performing public school systems tend to grant relatively high levels of autonomy to their schools in budgeting and staffing. Little progress is being made in the reform of teacher education.

International significance of developments in Australia

Developments in Australia have international significance because four major issues are also faced by other nations. These are (1) the roles and responsibilities of different levels of government; (2) the funding of public and private schools, (3) the balance of centralization and decentralization in the governance of schools; and (4) related to (3) securing an optimal balance of autonomy, accountability and choice. Addressing these issues in Australia as elsewhere is important in establishing a framework to successfully achieve school reform, a major theme of which is securing improvement, given the gaps in achievement of high and low performing students.

Australia has wrestled with these issues for more than four decades and there is a constantly shifting settlement depending to some extent on policies of government but also because of fundamental changes in society and the nature of schooling. The situation that has been reached at the start of the second decade of the 21st century is that, while constitutional powers in relation to education lie with the states, far-reaching if not unprecedented agreements have been reached between governments at all levels on a framework within which reform will proceed. This is a significant achievement.

How public and private schools shall be funded from the public purse has been at the centre of policy debates for more than a century. Whereas constitutional arrangements and a broad community consensus have led to a settlement in most nations, a comprehensive sustainable framework has yet to be reached in Australia. There is general support for the view that both sectors should be funded but the mechanism for delivering this support remains contentious. What is arguably unique about the current situation in an international context is that both sectors are supported and schools in the private sector can charge fees. In fact, Australia's tradition of 'free, compulsory and secular' public education is itself under threat as more governments levy fees and charges that are 'borderline' in respect to whether they support or do not support the costs of tuition. One way of interpreting the current situation is that Australia has a de facto voucher system. These developments warrant attention in other nations.

Note

An earlier version of this chapter was presented at the Asia Leadership Roundtable on the theme 'Education Reform and Change in the Asia Pacific Region', hosted by the National Institute for Educational Development of Teachers and Educational Personnel (NIDTEP) of the Ministry of Education, Thailand, and the Asia Pacific Centre for Leadership and Change (APCLC) of the Hong Kong Institute of Education, Bangkok, March 12-14, 2010.

Endnotes

¹ PISA, 2006

² MCEETYA, 2008; MCEETYA, 2009

³ Gonzales, 2008; PISA, 2006; TIMSS, 2007

⁴ Gillard replaced Rudd as leader of the Australian Labor Party and Prime Minister in June 2010. She led the Labor Party to a narrow win in the federal election of August 2010. Rudd became Minister for Foreign Affairs but resigned in February 2012 to unsuccessfully challenge Gillard for leadership of the Labor Party.

⁵ Rudd & Gillard, 2008, p. 5; see also Rudd, 2008

⁶ Rudd & Gillard, 2008, p. 12

⁷ DEEWR, 2009a

⁸ DEEWR, 2009b

⁹ www.myschool.edu.au

¹⁰ Butts, 1955, p. 14

¹¹ *Ibid.*, p. 15

¹² *Ibid.*, p. 17

¹³ Rudd & Gillard, 2008, p. 29

¹⁴ see Wilkinson, et al., 2006, for an historical account of choice and state aid to private schools

¹⁵ Independent Schools Council of Australia, 2009

¹⁶ Australian Bureau of Statistics, 2009

¹⁷ Interim Committee of the Australian Schools Commission, 1973

¹⁸ Australian Government, 2011

¹⁹ Jensen, 2012

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