

Education: For Many There Is No Choice

Recently the *Maori Into Tertiary Education* (MITE) Summit brought together 200 Auckland tertiary education providers to tackle the problem of young Maori dropping out of school with little or no qualifications. They noted that of Maori who started secondary school in Auckland in 2004, well over half had left before completing five years, and little more than 10 percent went on to do any tertiary study.

Across the country and all ethnic groups, Maori have the lowest rate of achievement of basic numeracy and literacy standards and the highest rate of dropping out of school with no qualifications. But the problem is not confined to Maori: far too many students in low socio-economic groups of all ethnicities are failed by our school system.

Put that alongside our youth unemployment rate of 17.4 percent, Maori youth unemployment of 24.8 percent, and 62,000 NEETS (15 to 24 year-olds not in employment, education or training), and an obvious question arises: what is wrong with our education system?

Of course there are many other factors behind these sorry statistics, but somehow, somewhere along the line, schools failed to ignite these children's interest.

For many, our school system works perfectly well. Many bright or well-motivated students do well, whatever school they attend. High decile public schools and many independent schools produce plenty of high-achieving students, and well-off families can choose the school that will work best for their children. It may mean moving into the zone of a good public school or opting for an independent school.

The less well-off are not so fortunate. They have no such choices. In low socio-economic zones families are condemned to low decile schools. Of course there are some standout low decile schools, but on average, at NCEA level 1, for example, there is an achievement gap of 35 percent

between schools in the top two deciles (9 and 10) and those in the two lowest (1 and 2).

In our pre-school and tertiary sectors – Kohanga Reo and Wananga are good examples – government funding is shared roughly equally across all providers, public or independent. But in primary and secondary education, the state dominates. One size must fit all, and if it isn't working for any particular student, too bad. National standards and greater transparency around qualifications should help parents size up a school's performance, but then what can they do, other than complain?

What parents and students need is recourse to what economists call the power of exit, the most powerful incentive for improvement. Freedom for parents to vote with their feet and move their children to a more successful or suitable school is one of the hallmarks of successful school choice systems, such as that long in place in Sweden. Introduced in the early 1990s by a conservative government and maintained by subsequent social democratic governments, the system is hugely successful.

It was designed to lift the quality of Swedish education and affirm the basic right of parents to choose the best possible start in life for their child. It recognised that the state is responsible for ensuring all children get a good education, but doesn't need to run all schools. Funding goes with each child, and schools must accept students regardless of ability or background, and may not charge additional fees. Parents wanting to set up schools are free to do so, and the system encourages competition and performance improvements across the board. Of particular note is that those to benefit most from the system have been the least affluent Swedes.

The freedom to open, expand and close schools in response to demand is one of three key features outlined in *School Choice: The Three Essential Elements and Several Policy Options* (www.educationforum.org.nz) by Stanford Professor Caroline Hoxby. The other two are funding following the student, ensuring all schools are on the same footing, and independent management, allowing schools to innovate in teaching practices, pay, and school organisation.

Both the Maori and ACT parties have embraced the concept of choice as a means of lifting educational achievement. The 2009 inter-party working group, a creature of ACT's confidence and supply agreement, recommended offering school choice to the five percent of lowest achievers and the top five percent of gifted children. But little has since been heard of this.

This is hardly revolutionary stuff. Many progressive-thinking countries have introduced some form of school choice. Major, much-needed education reform is now being rolled out in Britain, basically enabling students to choose their schools, rather than the other way around. Australia is already well ahead in this area, and its current Labor government is strongly pursuing an agenda of choice, performance-based pay and school accountability. In the United States, 2011 is being labelled the year of school choice, with 13 states enacting school choice legislation this year, and 28 states having legislation pending.

New Zealand is lagging behind. Political leaders need to wake up to the vital relationship between enabling school choice and lifting educational achievement, before more generations of our children are consigned to educational failure. And as the MITE project leaders confront their challenge to triple the number of Maori tertiary graduates, promotion of choice for the parents of our most educationally disadvantaged students would be an excellent place for them to start.

Roger Kerr is the executive director of the New Zealand Business Roundtable. Check out his blog on www.nzbr.org.nz