

This article was first published in the *Otago Daily Times* on 5 December 2008

A Fresh Approach to School Choice?

Parents who have long understood the benefits of being able to choose the schooling option that best suits their child will be encouraged to see the new government's signal of a fresh approach on this issue.

As part of their Confidence and Supply Agreement, National and ACT have agreed to set up an inter-party working group "to consider and report on policy options relating to the funding and regulation of schools that will increase parental choice and school autonomy."

This reflects National's commitment to "work, over time, to increase the education choices available to parents and pupils so families have more freedom to select schooling options that best meet the individual needs of their children."

The agreement has been underscored by the appointment of the Maori Party's Dr Pita Sharples and ACT's Heather Roy as associate education ministers, both of whose parties have embraced the concept of school choice as a means of lifting educational achievement.

The government's approach to this issue suggests a genuinely new direction, rather than a return to any of the one-off or piecemeal programmes of the past, like bulk funding or the TIE (Targeted Individual Entitlements) scheme.

No doubt the new team of ministers is well aware of the quiet education revolution that has taken place in recent years in progressive-thinking countries like Sweden, the Netherlands, Ireland and as close to home as Australia, all of which have introduced varying types of school choice systems.

In Australia, where in some states independent schools already outnumber state schools, Kevin Rudd has confounded some traditional Labor supporters, notably teacher unions, by pursuing an agenda of choice, performance pay for teachers, and accountability for schools.

What may be of even more interest to New Zealand's National-led government is the seismic shift going on in Britain. The Conservatives' new blueprint for British schools, modelled on the Swedish system, is basically about students choosing schools, rather than the other way around. As with all effective school choice systems, at the heart of it is the notion that the funding should follow the child, not vice versa.

The Conservatives' plan is to enable the establishment of a new class of independent schools, funded by the state but not run by it. Like the Swedish system, anyone could apply to open and operate a new 'free school', run it independently, and be entitled to receive a sum likely to be around £6,000 per pupil per year. A central body would be responsible for granting planning and funding permission and new schools could only be blocked on very specific grounds.

Equal per student funding across all schools at the different levels of education, with adjustments for special circumstances, is only one prerequisite for a better system.

As Harvard economist Caroline Hoxby explains in *School Choice: The Three Essential Elements and Several Policy Options* (www.nzbr.org.nz), the others are supply flexibility (allowing schools to open, contract or close according to demand) and independent management of schools (rather than central bureaucratic control).

The references to regulation and school autonomy in the Confidence and Supply Agreement may reflect this insight.

The problem with state monopolies like ACC, education and health is that they don't use resources efficiently or respond well to what their clients need.

The key goal of policy should be to improve the performance of the system as a whole through more choice, competition and flexibility, not just to provide some parents an escape route from poor schools. And the debate is not about whether private or integrated schools are better than government schools – there are good and bad schools in all sectors – but to raise standards in all of them.

A system along these lines would allow schools greater freedom to recruit and reward teachers as they see fit and to innovate in areas such as teaching practices and control over how they manage their resources. Teacher employment arrangements would become much more like those of other professionals.

It would allow Maori parents more opportunity to determine their own solutions to problems such as chronic underachievement among many Maori students.

Currently we have many successful schools that work well for pupils and their parents, but those that don't, like the failing British schools, can carry on operating for a long time before they're eventually shut down or reformed.

What matters for all parents is surely the same: the freedom and ability to give their child the best possible start in life. Choosing the schooling option that is best for their child is a critical part of that.

An important element of the debate in Sweden was European human rights legislation that upholds the value of individual freedom which National and ACT have endorsed. The challenge the new government has set itself is to reflect the values of freedom and choice in reshaping education policy.

Roger Kerr (rkerr@nzbr.org.nz) is the executive director of the New Zealand Business Roundtable.