

Theme 1: Equity in Australian schools

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When we're talking about equity, the first question of course is *'What does that mean?'* Because I've never met anybody who's actually opposed to the idea. We want equity in the school system, we want equity in the tax system, we probably want equity in a whole range of services that we provide—but the problem with saying that is that you never pick a fight; you never get anyone to forcefully disagree and say *'Well I'm into inequity, actually. I think that some kids should miss out, and I think that my kid should be treated special.'*

So really what we have to do is to think hard and fight hard to define 'equity', because otherwise we might find that other people will define it for us. And I fear that that redefinition of 'equity' has been underway in Australia for some time, and if anything it's gathering pace. Because increasingly we're defining 'equity', not in terms of outcomes—and I'll come back to the way we measure them—but in terms of choice. Because as long as parents are free to choose, and everyone is free to choose where their kids go to school, what could be more equitable than that? Effectively, as long as everyone's free to take their kids out of schools they're unhappy with, and put them into schools that they're proud of, then we're all even.

Now that's probably not the way that most people would put it—but if we look at some of the directions of reform, not just under the previous government but under this one, this idea that 'choice and equity go hand-in-hand' is a powerful one. In fact what I'll suggest later is that choice and equity sometimes—not always but sometimes—actually work against each other. Because there's a whole range of things that we can measure; there's a whole range of things that we can probably understand, in which the choices that are available to people might depend on their income, so that if you want to choose between the private school system and the public system, income is going to be handy. Transport, access to transport: if you want to choose to send your kid to a school that's further away then how are they going to get there? Can you afford the time and the money to take them; can you afford to pay someone else to take them? Or maybe you're just going to hope that there's good public transport or good school bus services available. Again, these things are not evenly distributed. If we project the data onto a map we find pretty predictable patterns in terms of the households that have the most cars: the households that live near the best public transport, you might be surprised to find, funnily don't correlate highly with the households that have the highest levels of disadvantage. And we haven't even talked yet about moving beyond cities, about smaller towns in remote areas where—again, you might be shocked to learn—that some small towns only have one school. Now empowering people to make choices about where to send their kid, when there's not actually another school in travelling distance, is not terribly equitable, I wouldn't think.

Now don't fall for the false dichotomy, the binary of whether choice is 'good' or 'bad'. I doubt that you'll find many people who will agree with the idea that choice is bad, but similarly you won't find many people who think that equity is bad. We have to fight to understand what these terms mean, and we have to fight to ensure that policies support our version of these things.

I'll talk a little more later about the mobility associated with choice, that if we're unhappy with a school we can take kids out; and if we're unhappy with the school we move them to, we can move them back. Because as parents and as citizens we'll have been empowered to make all these choices. But it seems strange to me that one version of the Education Revolution might be kids revolving, just revolving, between schools; or parents revolving between suburbs.

Now the idea that choice can be the be-all and end-all when it comes to policy, you'll find it in a range of things. You know: 'If your bank is ripping you off, don't complain, switch!' 'If you hate your superannuation fund, don't complain, switch!' We have this idea increasingly in society that it's not government's responsibility to bring people up—whether it's organisations, individuals or companies—to some minimum level, some minimum standard that we think is equitable. Increasingly we have this idea that:

No, governments don't have to do something to ensure minimum standards are being met. Let's just empower people to make choices.

So let's not pick on the banks for ripping you off—they're entitled to rip you off. But you're also empowered to move! Now of course it might take you twelve years to fix all those direct debits that keep coming out: you'll have Amnesty International chasing you three years after you've changed banks because they're still taking out \$25 a month from ANZ bank. We can either fix the system, or we can take responsibility for choosing to move. Again, don't fall for the false choice of 'is it all or is it nothing'.

But if we rely extensively (or dare I even say exclusively—you hope you'll never get to that point) on the idea that we as parents, or we as citizens, can look after ourselves purely by choosing, then I would argue that we're letting ourselves and organisations off the hook by not requiring the minimum standards that we think are necessary. Or, put more positively, forget about minimum standards: what about just simple things like ensuring that every kid, or every school, has the resources to provide the education that we would be proud of. We don't have to define it as 'What's the bare minimum?' but 'What is the level that we as a society want?'

And regardless of whether there is another school nearby, whether there is transport to get you there, or if it's a switch from the public sector to the private sector (regardless of whether your parents can afford to pay for that) ... wouldn't it be nice to know that regardless of whether someone could afford to avail themselves of those choices, that there was the equitable provision of an education service that we can all be proud of.

Now the data on choice and parents is really quite interesting. The OECD data shows really quite clearly that in a country like Australia, the more educated your parents, the stronger the SES scores associated with your parents or the household in which you live, the literacy scores of children rise quite sharply. So in Australia as we move from a parent with five years of education to parents with fifteen years of education, we see a substantial increase—around a 35% increase—in the literacy scores of those kids.

Now of course there's debate about 'What's cause and what's effect?' You know, maybe smart parents get good jobs and have high incomes and they have smart kids, so it's genetics that kids do well in those literacy scores. Maybe—or maybe it's that there's a lot that the kids get from going to better schools, and from the support they're getting at home, that is an enormous use to them.

You know we can argue about whether it's social or whether it's genetic or whether it's something about the education system. But one way to end the argument is to look around and see what happen in other countries. And that same OECD data that shows a very strong link in Australia between SES scores and literacy, that same data shows that in countries like Sweden and Finland the relationship is much flatter. That in countries like Sweden and Finland, while it's still true that parents from the highest SES groups, the parents with the most education, their kids do better on the literacy scores than kids whose parents have lower SES scores—but that link is much less strong. So much so that when you look at the graph, it's quite a flat line for the northern European countries and quite a steep line, not just for Australia, but for countries like the US and Canada as well.

So the data makes it quite clear that some countries seem to be able to insulate low socio-economic status, the kids from low socio-economic status, from the 'cost' of the house that they chose to be born into. Whereas in countries like America and Australia and Canada, that's not the case. And for whatever reason, our education system seems to propagate those things. So when we're thinking about choice, the most important choice that a kid can make is who their parents are. So lets *empower the kids* to go and move into high SES households. Because that, the data shows, is going to be far more effective than shopping around for schools.

Now you might think, if you're a little old fashioned, that this might break up families; it might break up strong links. And of course therefore (because these days we care about social inclusion) you'd think that breaking up families just to get a good education for your kid, is bizarre. But we do that, don't we? Some people like to propose schemes like that, especially when it comes to the difficulties we have in relation to providing education to remote areas, to Indigenous areas. Now I'm not saying this is simple, but let's be clear, sometimes we just take for granted that it's too hard to provide certain education services out in outer Woop Woop, so why don't we move the kids?

But at a broader level—leaving aside the incredible challenges of providing education in remote and Indigenous communities—but even just in our cities, when we've got kids moving around because their parents are anxious about schools, we're breaking up

communities. It might not be as heart-wrenching as breaking up families, but the explicit intention here is to say:

Hey, if you're unhappy with your kids' school results, and if you've had a look at the league tables that we've put out, we've empowered you as a parent to make the choices that you want to make. So why don't you pull your kid away from his friends, or her friends. Why don't you extricate them from the local community where you've got some chance of having relationships that extend beyond the school gate, and go find the school that best suits your needs.

But hey, I'm not anti-choice. I don't think that if some parent thinks that that's what they really want to do that they should be prevented from doing it. But we create the norm that *shopping around for the school* is the way to solve educational disadvantage. While it's far less emotive, just as pulling kids out of low-SES houses to put them into high-SES houses is going to break down relationships, then pulling kids out of low-SES schools (or schools that aren't doing so well, perhaps as the SES background of the parent) and putting them somewhere else, that's going to break down relationships as well.

So if we are going to look at the full needs of our children, if we are going to look at the full consequences of the education that we provide and not just at the test score—and I notice that in Michele's presentation she started by saying that 'intangibles matter, it's not just the test scores'—then I agree wholeheartedly. But she did then go on to say that we're going to link payments to outcomes and outputs, and in response to one of the questions we heard, maybe we're going to pay teachers according to some test scores.

Again, if 'the intangibles matter', by definition—and again we come back to definitions, and we don't know how to define 'equity'—and we can't define 'intangibles: they're intangible. If the intangible matter, we find ourselves in the situation that while we agree they matter, we're going to resource schools as though they don't. And we're going to ignore them when the consequences of people shopping around based on partial information about what schools provide (the intangible impact on kids and on communities) will never be measured—but that doesn't mean we should never worry about it.

So I'd like to bring up a different version of 'equity' now. I must admit that when I was asked to talk about this, I thought about equity; I thought about low-SES-background kids; I thought about the long-term costs of failure to invest in the education system that we should be able to agree they deserve, and the implications of missing out on that. But the more I thought about equity, the more I thought it was broader than that. I hate to say something so populist, but I think equity extends to educators as well. I'll probably get howled down for saying that in a room like this but I think that it's time that when we look at equity in schooling, we look at the equity of the way we pay teachers; the equity of the fact that we rely on so much unpaid overtime to actually make the scheme work. The fact that we rely on the enormous generosity, the willingness of people to invest their emotional labour. And economists—this is one of the other 'intangibles'—economists don't know how to measure this so we typically ignore it, but the literature is increasingly full of discussion in the care sector, and to a lesser extent in the education sector, about the emotional labour

associated with educating kids. It's an enormously generous contribution which, while it might be hard to put a value on, I think we would all agree that that value isn't zero.

And again, and I haven't looked too hard for the data on this, but we're doing some work on this at the moment, but if you asked parents what they want out of a teacher, I think most of them would be just as interested in the motivation and the desire and the enthusiasm of the teacher as they are of how many years they spent training. I'm not suggesting that training isn't important; I'm suggesting that what a great educational outcome relies on is not just skilled, trained teachers, but motivated, enthusiastic teachers. And I think that in the private sector, and in elements of the public sector, it's quite clear that we want to motivate people to do well. And I fear that we might be moving towards the path where the only way we're going to attempt to motivate teachers, is not by paying them *all* well, and treating them respectfully—and more importantly perhaps even listening to them from time to time when it comes to designing education policy—but rather when it comes to something as inequitable as performance pay based on something which, as we heard before, is by definition going to leave out intangibles. And when it comes to education, I think the intangibles matter more than most.

I think that I'm about out of time, so let me just end with one last point about equity, and about the way we want to address educational disadvantage. Of course we could spend a lot of money on it; we could employ a lot more educators and resource them better; and we could keep doing this over a long period of time, because we know that it takes a long time to educate a child and it takes even longer for that child to move out into the labour market and start to create wealth for the economy. We're talking here about 20 or 30 years minimum payback period for this sort of investment. It's often suggested to me that the problem with democracy is that we can't make decisions that are that far out ahead; when the costs are up front yet the benefits are in the future. The analogy with tackling climate change is an obvious one, but you hear it with a whole range of policies: 'I'd love to help, Richard; that's a great idea, Richard, but where's the money going to come from?' and 'You got to understand Richard, that the problem with the politics, Richard, is that the costs are up front and the payback so far down the track and so intangible'. As a democracy we really struggle to do that.

Recently the Minister assisting the Minister on Climate Change, Greg Combet, was talking about this enormous challenge we face, this enormous need to invest in this problem that is literally (according to him) going to tax our industrial, scientific and economic base. This multi-billion dollar, this 30 billion dollar expenditure, that's going to take decades to solve this problem. And you know what he was talking about? Submarines—that's right, submarines. If we're going to get the new fleet of submarines built, it's going to be decades and it's going to cost us a fortune, and it's going to be really hard, but he thinks that if we pull together we can do it. Well, I think he's probably right, I reckon we could have a red hot go at that.

But if we're allowed to make such long-term decisions, if we're allowed to take on such ambitious problems, if we're allowed to invest so much up front because of the potential for

the long-run benefit of having some new ones (and I'm not sure that we ever used the last ones), I think 'Great!'—but that we could apply that to education too.