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## **Perverse Compassion and Mediocrity in Australian Schools: Time for vouchers?**

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Education debate in Australia has become mired in an ideological contest between proponents and critics of State and non-government schooling respectively. This paper proposes a system of school vouchers as a means to both breaking this deadlock and improving the situation of Australia's least advantaged school students. The paper points out contradictions in well-intentioned social justice initiatives aimed at the latter goal and highlights grounds in both Labor and Coalition philosophy and practice that suggest school vouchers are an acceptable alternative to current school funding arrangements.



## **Introduction**

The American philosopher John Rawls' theory of justice (1971) posits that the justice of our basic institutions should be judged by the worst position they generate and from there by how well they treat society's least advantaged citizens. In this sense what Rawls calls justice is arguably a concept of distributive justice, because it focuses on how institutions (re)distribute life's benefits and opportunities. In Australia, for at least 40 years the institution of schooling has regularly attempted to score highly on an imagined Rawlsian report card in schools. The starting point was the Whitlam era's (1972-1975) Disadvantaged Schools Programme that sought to redress some of the more severe inequalities of educational provision.

In Australia the Whitlam era is something of a watershed because it marks major federal intervention in otherwise state government education affairs. Labor state governments have followed the Whitlam lead in making equity and social justice central to their educational provision. Girls, students with disabilities, students whose language background is not English and ATSI/Indigenous students are just a few typical identity groups targeted by redistributive state government education initiatives. In effect, the Australian institution of schooling has been used purposefully to elevate the position of the worst off and to treat society's least advantaged more fairly.

The latest efforts in this Australian tradition are embodied in the so-called Gonksi reform to schools, initiated by the recently deposed federal Labor government. It remains uncertain what Australia's new Coalition federal government might do with this legacy, but I prefer not to opine on what may or may not happen. Rather, in this paper I argue that the seeds of an innovative approach based on education vouchers already lie latent in both the Labor legacy and in the philosophical foundations of the new Coalition government's Liberal Democratic dimension. I argue that germinating these seeds may be fruitful, both for the purpose of better providing education as well as for moving on from the ideological mire that characterises Australian education debate.

In order to unpack this proposition in what follows I first discuss the ideas of 'perverse compassion' and 'mediocrity'. I then apply these ideas to the Australian school context. I go on to make a case for vouchers to be implemented in Australian schools before addressing some



major objections with reference to the benefits for the least advantaged students of a voucher scheme. I now turn to the ideas of 'perverse compassion' and 'mediocrity'.

### **Perverse Compassion**

Elsewhere I have argued that the unintended but necessary effect of implementing social justice initiatives is that the circumstances of those for whom such initiatives are devised do not improve; my argument is that in fact advocates of social justice initiatives are their primary beneficiaries (Sinclair, 2000, 2004, 2012, 2013). I am well aware that this is a controversial stance. After all, social justice goals such as improving the circumstances of society's least advantaged are so admirable that even questioning them can elicit moral scorn. Nor do well-meaning advocates of social justice take kindly to being identified as the primary beneficiaries of their efforts. Nonetheless, I maintain that such is the case. Accordingly, I interpret support for and implementation of social justice initiatives as a form of 'perverse compassion'. Compassion is unquestionably the motivation, but it is perverse because of the outcome, namely, that the circumstances of intended beneficiaries are not improved while those of advocates are. Indeed sometimes the circumstances of intended beneficiaries are worsened, a thoroughly perverse effect! In education, mediocrity is a major consequence.

### **Mediocrity**

By mediocrity I refer to a situation where largely average, middling, unexceptional academic performance becomes the benchmark. For example, International test results for TIMSS maths, PISA reading and PISA maths (summarised by Ferrari, 2013, p. 6) show declining average student scores on all indicators over the period 2000-2011 against a backdrop of significant funding increases except for the years 2010 and 2011. Indeed there is a sense in which mediocrity must be the price paid for attempts to 'level the playing field' in education. That is, in a situation where resources are limited their preferential allocation to those who underperform prescribes a regression to the statistical mean in a universal system of schooling. Put another way, if scarce resources were allocated more in favour of those who excel and less to those who underperform it is likely that there would be a higher average result, a better overall standard albeit skewed in favour of those at the top. Such an outcome would be unpopular in Australia, which has a strong egalitarian tradition well-evidenced by its schools.



### **Australian Schools**

Australian Schools have long been champions of equity, social justice and like-minded efforts aimed at broadly egalitarian goals. At times Australian state governments have deployed system-wide social justice agenda in schools (see for example, Queensland Department of Education, 1992a, 1992b, 1992c). Even when not using social justice or equity as the policy basis for all schooling endeavour Australian state education departments continue to employ social justice/equity policy supports.

In addition to state government education department measures, recently, at the federal level ‘the school kids’ bonus’ was implemented by the then federal Labor government in order to help low-income parents with the cost of text-books, uniforms and the like. A set, means-tested amount of money was paid directly to parents by the federal government out of consolidated revenue, a voucher of sorts. Then came ‘Gonski’.

The ‘Gonski’ reforms are so-named because of a review undertaken by David Gonski (2011). One of that review’s aims was to attempt to sort out the funding mess that obtains to Australian schools. Australian schools are run by state governments that provide the bulk of school funding and in large proportion they allocate it to State schools. Australian schools also receive a much lesser portion of funding from the federal government, the bulk of which goes to non-government schools. The ratio of State to non-government schools in Australia is roughly 2:1 (65% to 35% according to the ABS, March 20, 2013). Unsurprisingly in light of this ratio the federal/state funding mix has been an ongoing source of tension. On the one hand, advocates of State schooling have decried what they see as an unfair distribution of treasury reserves to non-government schools which in their view are already privileged and thus should receive less or no State revenue. On the other hand, advocates of non-government schooling have decried what they see as an unfair return on their tax dollars to schooling of their choice which they believe is an individual right to which they are entitled. Rather than exploring the merits of these opposed arguments I wish to explore a different line of enquiry, namely school vouchers as an alternative to the present situation.

### **School Vouchers**

Milton Friedman championed the idea of school vouchers from the 1950s until his death (see, for example, Friedman, 1955; Friedman, 2003). For those unfamiliar with the term a school



voucher is a certificate of funding issued by the government to parents to be applied toward their children's schooling. The original idea was that vouchers were to be cashed at private schools. However, there is no reason why vouchers could not operate universally, especially if the value of the voucher is equivalent to the cost of educating a child at any State school. While the use of vouchers is not widespread and their efficacy is empirically questionable, I nonetheless suggest using them because in principle the federal Labor party has already used them, albeit by another name. They are also consistent with Liberal political and economic philosophy that individuals and not the government are best placed to make major expenditure decisions concerning them. Further to this point the Gonski review that was initiated by the deposed federal Labor government and in turn accepted by the incoming Coalition government stipulates that an average cost for schooling a child be calculated, and that additional loadings on top of this be calculated to account for students with various disadvantages/disabilities. These figures are to be used in determining funding received by schools. Notably, there is no loading for excellence under the current formula. So-called gifted and talented students or students who excel academically are not given a special loading to support them. Thus, in elevating the circumstances of the disadvantaged Gonski in its present incarnation is consistent with the perverse compassion principle and in paying no special attention to exceptional students it also leans toward mediocrity. It need not be so.

To my mind the idea of calculating an average cost figure per student is long overdue. The same applies to the calculation of loadings figures. Further, like federal Labor's school kids' bonus these sums could be paid directly to parents as vouchers. There is no indisputable reason why they should not be. Moreover, there are good reasons why they should be.

### **The Case for Vouchers**

Against giving parents vouchers it can be said that not all parents have sufficient knowledge of schools in their local areas or of schools more broadly to make wise decisions about where to spend their vouchers. There is some truth in this argument. However, another federal Labor initiative weakens the argument, namely, MySchool. For those outside Australia, MySchool is a web-based information service that aggregates an array of information, including aggregate academic performance data for every Australian school on NAPLAN tests. HSC performance could be factored in here too.



Part of the logic of MySchool is that it enables like schools to be compared. While some comparisons allowed by the site are arguably not fair and other comparisons that might be fair cannot be drawn, with the passage of time I suspect this will be less of a problem and parents will increasingly be able to make better informed school comparisons ergo better informed decisions about their children's schooling. Vouchers are justifiable under these circumstances.

Further, the argument for issuing vouchers to parents has another rationale in that parents are presumed capable of making decisions about their children's schooling that at least are no worse than those they currently make. In other words, allowing parents to decide where to spend their voucher will do no more harm than does the present situation of parents deciding on the school their child will attend without being influenced by vouchers. In addition, for some parents the added incentive of deciding where to spend the voucher might assist them to make more informed, reasoned decisions about their children's schooling. Moreover, if the value of vouchers were also equivalent to the fee charged by State schools then the principle of affordable, universal access to State schooling remains intact.

At the same time, the voucher may go some to a good deal of the way toward the purchase of a non-government schooling. Indeed even comparatively poor parents may make the decision to cash-in their voucher and find ways to make up the difference if a non-government school to their liking charges more than the value of a voucher for its schooling services. Given there is already a large number of low-fee non-government schools in operation, vouchers may enhance competition in this space and raise standards as well while broadening access to low-income parents.

In turn, in favour of schools as opposed to parents receiving vouchers operational simplicity might be a factor. It would dispense with the need for schools to chase errant parents for their vouchers. Schools would also get all of their revenue in a timely manner, presuming a satisfactory forward-planning date was applied to receipt of voucher payments. Such would assist schools with systematic future planning.

In contrast, against schools rather than parents receiving vouchers it might be argued that there is no guarantee things like loadings would not just disappear into a school's consolidated revenue and instead be spent in part or whole on things not specific to the needs of the child so loaded. There would need to be an onus of proof on schools paid loadings for enrolling disabled and



disadvantaged children that specialised services were in fact provided and, ideally, that improved or optimal student performance followed. Such a compliance system would undo much of the intended efficiency benefit of vouchers.

Alternatively, none of this compliance would be necessary if parental decision were the arbiter of quality in a system where vouchers are paid to them rather than the school. It also must be said that non-government rather than State schools would be advantaged by a situation of schools receiving vouchers, at least initially, because non-government schools already receive fees directly from parents and decide how to disburse them and thus already operate in a voucher-like environment. Putting State schools on an even footing as quickly as possible implies vouchers being paid directly by parents to them.

There is the additional matter of the overall cost of schools administering vouchers versus having the equivalent funds dispersed via centralised bureaus. This is basically a matter of State school system efficiency, although Catholic systemic schooling has its own bureaus as well. It may well be that vouchers issued to parents then cashed in by them at State schools requires a leaner State bureaucracy. There may be additional efficiencies as well as enhanced effectiveness at the school level in the form of less duplication of services across State schools. It is questionable that each and every State school must enrol and/or be capable of enrolling all comers. Individual State schools may become more effective by providing fewer services better than they provide a broad spectrum. Indeed it may be one efficiency outcome that State schools seek to and provide more specialised, tailored offerings.

I suspect the line between State and non-government schools may also become more blurred, for the 'better'. I mean better in two senses. First, State and non-government schools may better compete as well as improve their own performance. Second, I also mean that society's least advantaged may end up getting access to better schooling and services than currently exist and which their means would otherwise allow. That is, a proportion of the population does not pay taxes anywhere near the value of a school voucher. Yet they nonetheless will receive both the voucher and the opportunity to spend it, wisely at best or at worst however they see fit irrespective of the wisdom of the decision. Put another way, there is a proportion of the Australian citizenry that pays no tax other than the GST. To the portion of this population that is also parents vouchers represent a generous re-distribution.



The concept of vouchers for school education is already latent in the 'Gonski' reforms insofar as a per student cost of schooling as well as relevant loadings will now be accepted practice for determining school funding. It is not too difficult to imagine a future where parents receive a voucher of equivalent value toward the purchase of their child's schooling. However, the major issue of achieving a better result for the least advantaged requires further clarification.

### **Better results for the Least Advantaged**

A major objection to the idea of vouchers is that the efficiency dividend they represent may have the effect of diluting the universal education experience on offer, especially that provided by the State school system. The State school system prides itself on its inclusivity in providing in principle schooling for all students within the State school system. The clearest example of this principle is that of students with disabilities and I use this case to illustrate how vouchers can improve the situation of least advantaged students per se.

The present State school system grapples with a bewildering array of disabilities. Catholic systemic schooling and some other non-government schools are in similar circumstances. As more becomes known about things such as the Autistic Spectrum schools endeavour to better meet the needs of students on this spectrum. For the most part they do so in a mostly mainstream way. That is, students with Autism for example spend some or all of their school day within mainstream classrooms assisted to greater and lesser extents by teacher's aides. While it would be nice to presume that all of this educational provision is adequate, it is not. Moreover, some schools do a better job than others.

The intent of the Gonski inspired school loadings is to provide additional and presumably better services to address this situation. However, under a non-voucher regime there is little to suggest that those schools that provide inferior service will nonetheless receive additional funding and in and of itself additional funding is no guarantee of improved services and performance (see for example ABS Australian Social Trends data for funding 1995-2001 and ABS Government Finance Statistics for funding 2001-2011 cited by Ferrari, 2013, pp. 1 & 6). Moreover, the disparity between schools that cater well to students with disabilities and those that do not cater so well will remain and perhaps may even widen.



Contrast this situation with that of vouchers. Under vouchers instead of funding dispensed automatically to schools on the basis of the number of loaded students they enrol, parents will decide which school enrolls their child and as a consequence receives funding. Some parents may decide to continue their child's enrolment at a school that I have described as 'inferior', perhaps on the grounds that despite receiving a lesser quality service the parent judges that the mere fact of having their child socialise with non-disabled children outweighs an otherwise inferior service. Indeed some schools may have cultures or environments that encourage precisely this quality. Other parents however may not place as high a value on this sort of school experience. These parents may want a greater emphasis on teaching their child academic or life skills and they may be happy to sacrifice a kinder school milieu in order to get this result.

Extrapolating this scenario further, over time schools may find that they attract particular students with disabilities because of the type of school environment they provide. It is not drawing too long a bow to suggest that schools may become very good at servicing more specialised clientele, still within a so-called 'mainstream' environment in some cases. In other cases school environment may become less mainstream but this is not necessarily a problem. That is, if parents in sufficient numbers are happy to cash in their vouchers with such schools then the quality of the service need not be questioned even if the environment is less mainstream than that provided by other schools. In this scenario it is not too difficult to envisage a future for students with disabilities where the schooling on offer is both more specialised yet also more varied. Non-government schools providing more or exclusively for students with disabilities is also conceivable under a voucher arrangement.

I fail to see how a future such as this means students with disabilities as a category of least advantaged students would be worse off under a voucher system. Instead I suggest this is a better future and that it is generalizable to other categories of students who fall under the umbrella of 'least advantaged'. For example, if one replicates the logic above in relation to students from Non-English Speaking Background some of these students' parents may seek either State or non-government schools that (de)emphasise either heavily multicultural or more mainstream experiences. Indeed such trends already are emerging in the ways parents of various non-English Speaking Backgrounds approach Australian schooling and even to some extent in where they choose to live.



One obvious drawback of vouchers is that it is simply not physically possible for some areas of Australia's vast geography to provide either the efficiencies or tailored offerings/services I have prophesied. I refer here to non- and Indigenous students living in remote parts of Australia as well as to some more socially/culturally dense pockets of metropolitan cities and areas. In such circumstances vouchers will ultimately purchase whatever can be provided, hopefully of better quality than is currently the case. There is also the problem of brawling between federal and state governments over precisely how consolidated revenue for schooling is collected and dispersed both as vouchers but also in addition to them. Presuming a need for some sort of bureaucracy the value of vouchers is not equivalent to the total cost of schooling.

In closing, there is considerable evidence that encouraging society's least advantaged to undertake a University education is an ongoing problem (James, 2007). Perhaps participation in a voucher-based system of schooling that is admittedly a universal system might provide greater insight into the value of a non-universal, more elite University education. Indeed vouchers are a possibility the University sector might wish to explore, but that is the topic of another discussion.

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