



Federalism in the real world

Professor Jack Keating

Leader of the Education Policy and Leadership Unit,
Melbourne Graduate School of Education,
University of Melbourne

September 2011



Whitlam Institute
WITHIN THE UNIVERSITY OF WESTERN SYDNEY



fya | FOUNDATION FOR
Young Australians

This background paper forms part of the “Federalism in Australian Schooling: Its impact on quality and equity”, an ARC supported project being undertaken by the University of Melbourne, The Whitlam Institute, the Foundation for Young Australians and the Victorian Department of Education and Early Childhood Development. This project seeks to investigate the impact of federalism on Australia’s system of schooling and to investigate changes in the federal arrangements that would potentially increase the capacity of schooling to deliver better quality and more equitable outcomes.

Schooling

The impact of Australia’s federalist system of government upon school education arguably has four dimensions. The first is the structure of government and non-government schooling. This structure was established some decades before the establishment of the Australian federation and was formed through the processes of (mainly) 1870s colonial education acts and the establishment of publicly funded state school systems and a parallel collection of privately funded faith based, and mainly Catholic schools (Austin, 1961).

The agitation by the Catholic sector for ‘state aid’ intensified with a growing resource crisis in Catholic schools during the 1960s. Combinations of social change and political need and opportunity led to both national Coalition and Labor governments extending funding to non-government schools in the 1960s and 1970s, respectively (Wilkinson, 2006; Whitlam, 1985). The results of this history are amongst the matters being considered by the current Gonski review of school funding. These matters include the multiple, inconsistent and complex funding arrangements in the form of government, Catholic and other systemic, funding maintained, and SES (socio economic status) systems (Dowling, 2007).

It has been argued that this degree of complexity and inconsistency, and the associated degree of contestation over funding would not have evolved without the federalist system of government (Keating 2009). An historical question is whether without federalism the Australian states would have enacted similar policies to those in New Zealand whereby Catholic schools and a number of private schools were partially merged into the government system through the Private Schools’ Conditional Integration Act (1975) (Wanden and Birch, 2007).

Like the Australian colonies New Zealand passed an 1877 Education Act that restricted public funding to state schools, and the Catholic sector responded by creating a parallel system of schools. If the Commonwealth Government had not been able to enter into school funding, as is the case in Canada, would the crisis in Catholic education have led to some compromises at the state level with their partial integration into the state systems along the lines of the New Zealand model? At the time (1975) Catholic schools had 15 percent of all school enrolments compared to 10 percent in New Zealand, so the cost to government of integration would have been greater in Australia. Nevertheless the integration option was on the agenda in Australia at the time (Praetz, 192; Whitlam 1985; McKinnon, 2010). What stood in its way, apart from the reluctance of the Catholic sector, were residual resistance within the Australian polity to funding faith based schools and the substantial budget cost to government of full integration.

However, there was also the option of partial funding at the Commonwealth level, which has been able to leverage partial funding at the state level. As a consequence Australia’s unique

system of providing most of the resources for most non-government schools that are able to maintain a high level of autonomy has emerged.

The second dimension is the mutual relationships between the states and territories in school education. The school systems across Australia have differences in the structure of the primary and secondary years, school types, school starting ages, pre-school education, industrial structures, and senior secondary awards. It has been observed that schooling in Canada, where there is virtually no role for the national government, is no more diverse in its structures and systems than in Australia (Levin, 2011). This has been attributed to cross regional dialogue and provinces following the lead of other provinces on different policy matters.

In Australia there has been some convergence in some aspects of schooling. There has been some limited convergence in the structure of schooling, school starting and leaving ages, and policies in regards to year 12 completions. There also appears to be some convergence on the levels of state and territory grants to non-government schools (Keating et al, 2011).

The states and territories have long maintained a dialogue through a number of means, the most prominent being the Australian Education Council (Spaull, 1987). However, this body has evolved from a state education officials and ministers' body to one where the Commonwealth gained a stronger presence during the 1960s. Its subsequent emergence into the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA) has seen a stronger role played by the Commonwealth, with most and an increasing number of agenda items submitted by the Commonwealth Minister (Jones, 2008). More recently education policy at inter and intra-governmental level has shifted from MCEETYA (now MCEECDYA) to the Council of Australian Governments. There is a case to be made that state and territory dialogue on education has been submerged under the largely Commonwealth led MCEECDYA and COAG processes.

A third dimension is the international. The Australian government has been an enthusiastic participant in international studies in schooling and school systems in all states and territories participate in the OECD PISA studies, the TIMSS studies and other international activities that can lead to comparative data and analysis on school systems between the states and territories. As well, global policy dialogue on schooling has an impact upon educational policy. The dialogues on school leadership, school effectiveness and teacher effectiveness, as well as the broader dialogues on the social and economic impact of schooling arguably have a harmonising effect upon schooling in Australia.

Direct effects are likely from the establishment of national and international standards and referencing systems, which this globalisation has promoted. They include the establishment of national qualifications frameworks, teacher and school leader standards and registration agencies, and school registration standards and regulatory agencies. In Australia, apart from the Australian Qualifications Framework which was amongst the first NQFs (which now number over 130) there is a readily observable trend from the establishment of state based teacher registration agencies in the early 2000s towards a national set of teacher and school leader standards and a regulatory agency (Australian Institute for Teaching and School Leadership - AITSL).

The fourth and most observable dimension is the assertion of a greater policy and program role from the Commonwealth Government. While the Commonwealth school education budget remains smaller than the collective school education budgets of the states and territories it has

grown substantially and consistently over the past four decades. The pattern of Commonwealth policy intervention through start up programs in selective areas of schooling was established through the Karmel Report (1973) and has continued over the subsequent four decades.

Over this period the Commonwealth has also bypassed the states and territories and gone directly to the schools on a number of matters including school-industry funding and school chaplains. More recently and in part enabled by the shifting of parts of school education to the national reform processes of COAG, the Commonwealth has been able to establish the Australian Curriculum and Reporting Authority, the My School website, and recruit all states and territories and non-government school agencies to the annual National Assessment Program for Literacy and Numeracy (NAPLAN).

Comparisons with training

Across this 40 year period there have been various mixes of cooperative, collaborative and coercive federalism between the national and state and territory governments. The states and territories have always sought the Commonwealth dollars, and there have been shared agenda, especially in policies relating to such matters as the outcomes of different social groups and school completion rates. On the other hand there have always been tensions over attempts to harmonise curriculum and establish a national year 12 award. It also seems likely that competitive federalism has grown in recent decades and especially following the establishment of the first national targets for schooling in 1991 (Finn, 1991). This appears to have increased with the availability of comparative data from the NAPLAN and PISA tests.

There have been various phases in the characteristics of federal-state relations in schooling over the past forty years. The variables that influence these phases include the patterns of office of the main political parties at the state but especially the Commonwealth level, the economic cycles, and the wider social and economic agenda of government. Constant mediators to these phases have been the structural characteristics of schooling, and especially the Catholic sector, which is a relatively stable force, the global context and patterns of local referencing against this global context, and what appear to be the major philosophical or ideological drivers of the various periods or sub periods.

In this sense school education policy in the Australian federation is no different to other policy areas in being subject to the machinations and fluctuations of the Australian polity. However, there are two possible differences. One is structural and relates to the peculiar and arguably unique structural characteristics of schooling – specifically the different government, Catholic and independent sub systems and their relationship with government and the polity. The other is a combination of the proneness of schooling to ideological agenda and its more recent links with economic policy in a more globalised and unstable climate.

A question that has framed this project is whether there have been conspicuous stages in federal –state/territory relationships in schooling. Have there been a series of watershed points in the federal – state relations that have both changed the nature of and balance within these relations and have these changes had a major impact upon the characteristics of Australian schooling.

The most observable such stage was the early 1970s when the non-government schools gained what has proven to be permanent access to recurrent funding and the Commonwealth established its role in schooling and enabled what has also been a permanent shift in education

policy, especially in regards to programs for different social groups. The second most observable stage is the post 2007 period of the national reform agenda with its COAG processes and outcomes, National Schools Agreement, National Partnerships, ACARA, NAPLAN, My School, and AITSL.

In between there have been patterns of what some regard as more intermittent or creeping federalism (Lingard, 2000). There has been a relatively constant agenda of school funding that has been maintained by all national governments, and it is argued that it has been the Catholic sector that has provided the stability for this consistency. Funding has been subject to numerous reviews, albeit all by government agencies, until the current Gonski review. Yet all of the decisions have been political, and largely because of this consistency. Beyond this there has been a political bifurcation in Commonwealth school education policy. National coalition governments have been relatively non-interventionist. They have supported the principle of school choice primarily as a social principle, and their interventions under the Howard government were essentially cultural. They included the installation of national symbols, such as flags, and chaplaincy programs.

On the other hand the interventions of Labor governments have been a combination of social and economic agenda, with an increasing emphasis upon the latter. It has been observed that an emphasis upon the economic purposes of education is a policy response to economic crisis (White, 1995; Wolf, 1998). Yet Federal Labor's human capital premise for its education revolution was formulated at the end of the long boom from the early 1990s. Furthermore, the crisis of the 'banana republic' and the agenda of structural reform that emerged from the Labor Government had no apparent impact upon schooling until almost a decade later, and then in a very limited form.

This suggests a relatively complex interaction between factors that influence the behaviours of national governments and their relationships with states in school education policy. Within this there is a case for the original hypothesis of a buildup of policy and policy will on the part of government that is at least partially driven by ideology, which periods in opposition are more likely to ferment. This argument, of course, applies to all forms of government, but in Australia would be enhanced or weakened by the landscape of the state governments, and their particular need for Commonwealth money. Paul Keating is reputed to have advised one to not get between a state premier and a budget of money, and part of the federalist strategies have been those of picking off likely collaborators. Indeed the formation of the Council for the Australian Federation was in part to counter this strategy (Tiernan, 2007).

The watershed periods of the early 1970s and late 1990s clearly advanced the role of the Commonwealth government. The three decades in between make for a much more complex story, not only because of their heterogeneous patterns of ideology, initiatives and policy shifts, but because there was a relatively constant pattern of Commonwealth advance in school education.

Much of the Commonwealth advance has been premised upon the basis of the purported self evidence of a national approach in schooling. This compares with some other federations across the OECD countries such as Germany and Canada where this argument appears to be little used. Initial Commonwealth proposals for a national approach were based upon such minor issues as consistency in writing styles and school starting ages. While the national curriculum in Australia

did not begin to form until the late 1990s it has been justified upon the basis of the national statements of the goals of Australian schooling, with the first statement being issued in 1988.

As an explanatory framework, we therefore have a complex pattern of watershed stages, constant narrative about national purpose, ideological themes, and intermittent initiatives all located within the political and economic cycles. Here it might be useful to briefly compare schooling with a parallel policy area where the Commonwealth has also assumed a stronger role, that of Vocational Education and Training (VET), but which has had a parallel time period.

VET, albeit to a lesser extent, shared a watershed period in the early 1970s with the release of the Kangan Report (1973). The agenda for reform (then called the national training reform agenda) resulted from the sense of structural economic crisis in the mid 1990s. The direction of the reform was also seen in relatively clear terms by the Commonwealth: a training system that would meet the skill needs of industry and get people jobs, and the expansion and improved efficiency and effectiveness of the training through a more open training market. This would be achieved through more consistency and training products and their more direct links to industry skill needs (Dawkins, 1988).

The mechanisms for formulating this agenda and its implementation in the face of an assumed state resistance were a type of corporatism between the Commonwealth government, the unions and employers. This alliance was built through the Prices and Income accord between the federal Labor Party and the Australian Council of Trade Unions (ACTU) that was formed prior to the advent of the Hawke Government in 1983.

This drive for reform sequentially led to the establishment of a common standards framework for VET modules; competency based training and assessment, national recognition of training product, a national VET agency, a national qualifications framework, national training products and qualifications through 'Training Packages', and a national system for the funding of VET through 'training profiles' by the mid 1990s. Since that period the national agency has been abolished and the state training profiles have been superseded with more contestable funding models that allow for greater participation of private training providers. More recently there has been a movement towards a national regulatory system for VET.

This relatively untroubled and uncontested advance towards a national VET system compares with the vastly more complex and varied history in school education. Part of the reason for this will be that schooling is larger with a combined \$40 billion budget compared with a public funding level for VET that is about 1/6th of this. Another reason is the relatively limited foci of VET policy, which has two core purposes: providing industry with skills and getting people jobs. These purposes correspond with a client focus upon industry and to a lesser extent employers. As a consequence the state and territory role within VET has been largely oriented towards delivery effectiveness and efficiency, regional support and development, and social group access. In this sense the delivery role of state agencies fits with relative comfort into a national framework. This is enhanced by the location of VET in Australia as an essentially post school sector. Indicative of the differences is the fact that post school VET in Australia is highly homogeneous in its curriculum and awards and highly heterogeneous when located in schooling (Clarke and Volkoff, 2011).

As a policy field, therefore, schooling is very complex. This complexity extends to governance and policy actors, structures, purposes and ideologies, and its relationship with national and

regional social and economic policy. The hypothesis of watershed periods in schooling and federalism requires more investigation. However, if it is to stand it will probably need to rest upon a thesis that these periods involve the coming together of a number of factors, including political and budgetary opportunity, capacity and will, a substantial preparatory period – most probably (but not always) in political opposition, and a perception of crisis or substantial need.¹

Federalism and schooling in the real world

Federalism in schooling in the real world is likely to be quite varied. Apart from the high level negotiations at COAG and MCEECDYA meetings and other inter-government relations it will consist of a myriad of communications and negotiations between officials and agencies. State education departments that once had one or two officers that dealt with ‘Commonwealth relations’ have now expanded and typically are headed by relatively senior officers. Beneath the negotiations about finances, Commonwealth programs, accountabilities and national programs of curriculum and testing are the intra state and territory communications between officials about senior secondary curriculum and qualifications, teacher and school leadership programs, research and so on.

The real world extends from that of heads of government dealing with COAG agenda to teachers and parents dealing with NAPLAN tests and My School. Federalism has contributed to real world changes in schooling. What remain unclear are the dimensions of the changes that would have occurred without a federalist system of government, including the possibility that there would have been more changes without the restraints of federalism.

Locating the real world of schooling and federalism is difficult. One possibility is to go back to the structural characteristics of school ownership, governance, resourcing and accountability that most clearly have been influenced by federalism. While these are relatively static features they do mediate the policy directions and means of schooling. The accountability and openness of information that has been established through the My School website was conceived in part because of the observation on the part of the Rudd government that more direct attempts to limit the autonomy of non-government schools was not politically possible. In this sense different outcomes of federalism in schooling interact with each other to create policy.

Another is to consider where federalism will take Australian schooling in the future. Here the work of the Gonski Review is possibly the most expansive, with various proposals that are all oriented towards greater consistency in the resourcing, governance and accountability for schooling. Of course the politics of federalism will be a major barrier to this.

¹ The major changes in education of the Thatcher Government in 1988 came almost a decade after gaining office in 1979. However, by this stage the government had managed to substantially strengthen the power of the state as a platform for these interventions. This could be compared with the build up of Commonwealth power in Australia as a basis for its assertive education policies of the late 2000s.

References

- Austin A.G. (1961) *Australian Education 1788-1900*, Melbourne, Sir Isaac Pitman & Sons, Ltd.
- Clarke, K. and Volkoff, V. (2011 forthcoming) *Entry to vocations: a discussion paper on current policy structures of VET in Schools*, for the NCVER Consortium Project 'Vocations: the link between post-compulsory education and the labour market', NCVER, Adelaide.
- Dawkins John (1988) *Industry training in Australia: the need for change*, Canberra: Australian Government Publishing Service
- Dowling, A. (2007) *Unhelpfully complex and exceedingly opaque: Australia's school funding system*, Australian Council for Educational Research.
- Finn Brian (chair) (1991) *Young People's Participation in Post-compulsory Education & Training*, Report of the AEC Review Committee, Canberra, AGPS.
- Kangan M (chair) (1974) *TAFE in Australia: report on needs in technical and further education / Australian Committee on Technical and Further Education*, Canberra: Australian Government Publishing Service
- Karmel, P. (Chair) (1973) *Schools in Australia: report of the Interim Committee for the Australian Schools Commission*. Canberra: Interim Committee for the Australian Schools Commission
- Keating j; Burke G; Annett P; O'Hanlon C (2011) *Mapping Funding and Regulatory Arrangements Across The Commonwealth and States and Territories*, Report to MCEECDYA, University of Melbourne.
- Levin Ben (2011) *Federalism in Canada*, presentation to the ARC Federalism and schooling seminar, University of Melbourne, 4 May.
http://www.whitlam.org/__data/assets/pdf_file/0003/187824/Federalism_Canada_Levin_Presentation.pdf
- Lingard Bob (2000) *Federalism in schooling since the Karmel Report (1973)*, *Schools in Australia: From modernist hope to postmodernist performativity*, *Australian Educational Researcher* 27, 2, pp 25-61.
- Praetz, H. (1982) *Public policy and Catholic schools*. Hawthorn: Australian Council for Educational Research
- Spaull Andy (1987) *A History of the Australian Education Council, 1936-1986*, Sydney, Allen & Unwin.
- McKinnon Ken (2010) *The Schools Commission: A Review Presentation to the ARC federalism seminar*, University of Melbourne 3rd September,
http://www.whitlam.org/__data/assets/pdf_file/0004/164263/Ken_McKinnon.pdf
- Tiernan A (2008). *The Council for the Australian Federation: a new structure of Australian federalism*. *Australian Journal of Public Administration*, 67 (2):122-134.
- Tiernan, Anne (2008) *Cooperative Federalism?: The Case of the Ministerial Council on Education, Employment, Training and Youth Affairs*, *The Australian Journal of Public Administration*, vol. 67, no. 2, pp. 122-134
- Wanden Kevin and Birch Lyn (2007) *Catholic schools in New Zealand*, in Grace G. R. and O'Keefe J. (Eds.) *International Handbook of Catholic Education – Challenges for School Systems in the 21st Century*, Springer, 847-870
- White Michael, 1995, *Youth, Employment and Post-Compulsory Education: Crisis Policy Making in Three Depression Decades in Australia - The 1890s, The 1930s and The 1980s*, *Australian and New Zealand Journal of Vocational Education Research*, Vol. 13., No., 1, 110-140.
- Whitlam, G. (1985) *The Whitlam government 1972-1975*. Ringwood: Viking
- Wilkinson, I.R., Caldwell, B.J., Selleck, R.J.W., Harris, J. & Dettman, P. (2006) *A History of State Aid to Non-Government Schools in Australia*. Canberra: Department of Education, Training and Science
- Wolf Alison, 1998, *Politicians and economic panic*, *History of Education*, Vol. 27, No. 3, 219-234.