The

STATE AID STRUGGLE

and the

NEW SOUTH WALES TEACHERS FEDERATION

1995 to 1999

by

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in fulfilment of the requirements for the degree of
Doctor of Philosophy.

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Statement of Authentication

The work presented in this thesis is, to the best of my knowledge and belief, original except as acknowledged in the text. I hereby declare that I have not submitted this material, either in whole or in part, for a degree at this or any other institution.

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Abstract

This thesis examines from an historical perspective the series of events between 1995 and 1999 in which the public school teachers’ union, the New South Wales Teachers Federation, challenged the NSW and Australian governments’ provision of funding to private schools. Such funding is known colloquially as ‘state aid’.

The state aid struggle is conceived in this thesis as an industrial relations contest that went beyond issues simply of state aid. Nevertheless, the state aid struggle was a centrepiece of the Teachers Federation’s broader challenge to governments’ intensification of efforts to reduce the Federation’s effectiveness in shaping the public school system’s priorities.

This thesis contends that the decisive importance of the state aid struggle arose from the fundamental strategy used by governments to lower the cost of schooling over time. To achieve this they undertook what this thesis terms the state aid strategy, viz., that cost reductions would flow from residualising public schools, de-unionising teachers and deregulating wages and conditions. This would be most effective if teachers (in the wake of students) could be ‘persuaded’ to move to the less-effectively-unionised, and less-expensive-to-government, private system, or if the ‘failure’ of public schools in relation to private schools could be used by governments to justify implementing the deregulated conditions existing in the private sector into the public sector of schools.

The state aid strategy was implemented through those areas of policy and funding over which the Federation had negligible control or where the Federation’s membership was disunited. The provision of state aid, the determination of curricula and assessment, and managerial prerogative over many policy areas were so completely controlled by governments that the Federation had trouble contesting these through formal industrial relations’ processes.

Most significantly, the Federation was to be undermined by governments using policy initiatives to fragment teacher unity. This fragmentation would proceed by exacerbating the differences within the public school sector and between public and private schools. State aid increased these differences, making the total of public and private expenditure on private schools increasingly greater than the expenditure on public schools. Also, legislative exemption permitted private schools to select their clientele and exclude poorly-performing students. When this prerogative became associated with the increased use of centralised testing and some public schools’ poor performance, then some leading politicians and other commentators were able to deride public schools in general and their teaching workforce in particular. The importance of centralised assessment was that it permitted more direct managerial intervention in the ‘failing’ public school system. The ‘solution’ was for governments to drive down teacher salaries through a more authoritarian employer/employee relationship, ultimately resolving itself into the attempted imposition on public school teachers of contract employment.

By the end of 1999, governments’ prosecution of the state aid strategy did not seem to have been diverted from the main thrust of its course by the Federation’s struggle.
Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ABC TV</td>
<td>Australian Broadcasting Corporation Television</td>
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<td>ABC RN</td>
<td>Australian Broadcasting Corporation Radio National</td>
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<td>ABS</td>
<td>Australian Bureau of Statistics</td>
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<td>ACE</td>
<td>Accelerated Christian Education</td>
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<td>ACEE</td>
<td>Australian Centre for Equity through Education</td>
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<td>ACL</td>
<td>Australian Centre for Languages</td>
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<td>ACSSO</td>
<td>Australian Council of State School Organisations</td>
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<td>ACTU</td>
<td>Australian Council of Trade Unions</td>
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<td>AECG</td>
<td>Aboriginal Education Consultative Group</td>
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<td>AEU</td>
<td>Australian Education Union</td>
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<td>AGSRC</td>
<td>Average Government School Recurrent Cost</td>
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<td>AIRC</td>
<td>Australian Industrial Relations Commission</td>
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<td>ALP</td>
<td>Australian Labor Party</td>
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<td>AMES</td>
<td>Adult Migrant English Service</td>
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<td>ARL</td>
<td>Australian Rugby League</td>
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<td>ASG</td>
<td>Australian Scholarship Group</td>
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<td>ATF</td>
<td>Australian Teachers Federation</td>
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<td>ATU</td>
<td>Australian Teachers Union</td>
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<td>BST</td>
<td>Basic Skills Test</td>
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<td>CMU</td>
<td>Case Management Unit</td>
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<td>CRA/RTZ</td>
<td>Conzinc Riotinto Australia/Rio Tinto Zinc</td>
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<tr>
<td>DEET</td>
<td>Commonwealth Department of Employment, Education and Training</td>
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<td>DEETYA</td>
<td>Commonwealth Department of Employment, Education, Training and Youth Affairs</td>
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<td>DETYA</td>
<td>Commonwealth Department of Education, Training and Youth Affairs</td>
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<td>DIMA</td>
<td>Commonwealth Department of Immigration and Multicultural Affairs</td>
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<td>DLP</td>
<td>Democratic Labor Party</td>
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<td>DOGS</td>
<td>Australian Council for the Defence of Government Schools</td>
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<td>DSP</td>
<td>Disadvantaged Schools Program</td>
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<td>EBA</td>
<td>Enrolment Benchmark Adjustment</td>
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<td>ELICOS</td>
<td>English Language Intensive Courses</td>
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<td>ERI</td>
<td>Economic Resource Index</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<td>FOSCO</td>
<td>Federation of School Community Organisations</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GPS</td>
<td>Greater Public Schools</td>
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<td>GST</td>
<td>Goods and Services Tax</td>
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<td>HSC</td>
<td>Higher School Certificate</td>
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<tr>
<td>IEU</td>
<td>Independent Education Union</td>
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<td>IPA</td>
<td>Institute of Public Affairs</td>
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<tr>
<td>MCEETYA</td>
<td>Ministerial Council on Employment, Education, Training and Youth Affairs</td>
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<tr>
<td>MLA</td>
<td>Member of the NSW Legislative Assembly</td>
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<td>MLC</td>
<td>Member of the NSW Legislative Council</td>
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<td>NCISA</td>
<td>National Council of Independent Schools Associations</td>
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<td>NSN</td>
<td>National Schools Network</td>
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<td>NSW</td>
<td>New South Wales</td>
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<td>NSW BOS</td>
<td>NSW Board of Studies</td>
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<td>NSW DET</td>
<td>NSW Department of Education and Training</td>
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<tr>
<td>NSW DSE</td>
<td>NSW Department of School Education</td>
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<td>NSW IRC</td>
<td>NSW Industrial Relations Commission</td>
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<td>NSWP&amp;Cs</td>
<td>NSW Federation of Parents’ and Citizens’ Associations</td>
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<td>NSWTF</td>
<td>NSW Teachers Federation</td>
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<td>NTEU</td>
<td>National Tertiary Education Union</td>
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<td>NUS</td>
<td>National Union of Students</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
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<td>POPE</td>
<td>Promotion Of Public Education</td>
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<td>PSA</td>
<td>Public Service Association</td>
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<td>SCRCSSP</td>
<td>Steering Committee for the Review of Commonwealth/State Service Provision (Productivity Commission)</td>
</tr>
<tr>
<td>SES</td>
<td>Socio-Economic Status (Index)</td>
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<tr>
<td>SMH</td>
<td><em>Sydney Morning Herald</em></td>
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<tr>
<td>TAFE</td>
<td>Technical and Further Education</td>
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<tr>
<td>TEP</td>
<td>Tendering Evaluation Panel</td>
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<tr>
<td>TER</td>
<td>Tertiary Entrance Rank</td>
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<tr>
<td>UNSW</td>
<td>University of New South Wales</td>
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<td>UWS</td>
<td>University of Western Sydney</td>
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Chapter 1

Introduction

The state aid struggle and the New South Wales Teachers Federation 1995 to 1999

This is an historical study of some aspects of NSW education in the mid to late 1990s. It tracks chronologically certain developments in the funding and control of education over that period. This chronological treatment of the subject matter creates an episodic form that hopefully illuminates the way that the events formed part of a process of struggle. This thesis terms that process the ‘state aid struggle’. The main protagonists in the events that formed the state aid struggle were the NSW Teachers Federation and the NSW and Federal governments. Each responded to the manoeuvres of the other in a developing process of imposition, contestation and compromise.

This thesis also moves between three broad levels at which the state aid struggle took place. The most obvious was the battle of rhetoric (the ‘war of words’) that took place between the antagonists largely in the mass media. There were also those rhetorical campaigns carried out for the benefit of those associated with either side in the struggle. These were most centrally in the form of Ministerial and Prime Ministerial speeches to partisan groups and the familiarising of Teachers Federation members with the state aid struggle through the pages of their journal, *Education*. Many more major and minor sources are used in this thesis to reveal the barrage of rhetoric that surrounded the state aid struggle and the struggle for public legitimacy of the competing positions.

A second level at which the state aid struggle took place was through policy formation and implementation. For governments this took the form of legislation, policies around governance and procedures in schools, and formal industrial relations negotiations. For the Teachers Federation, its policies were formulated by its decision-making bodies (Associations, Council, Conference, Executive and the Senior Officers) and activated through campaigns, negotiations with Ministers and industrial action. While the rhetorical battle generated the most heat, the policy level generated the most effective struggle between the protagonists. This was because the Federation could most effectively counter governmental policy shifts through recourse to the formal industrial relations system where
it could invoke governmental breaches of legislation or previous policy positions. As well, alterations to working conditions or salaries could be responded to directly through industrial action. The industrial relationship operating between the Teachers Federation and governments was the central contest of the state aid struggle. It is proposed below that what this thesis calls the ‘state aid strategy’ was in fact an attempt by governments to use its policy prerogatives to subvert the centralised and formal industrial relations system and force the Teachers Federation to struggle only at the level of rhetoric, that is, battle over public perceptions of the union and public education. The state aid strategy was an industrial relations strategy underpinned by state aid and contested in the state aid struggle.

The third level, and the most decisive for the state aid struggle, was the material resources managed by the protagonists. Governments controlled the provision of state aid as well as public school funding. The Teachers Federation had no direct control over the provision of school funding. This gave governments virtually decisive weight in the state aid struggle through their control of the basic material resources for providing education services: public funding. This funding, in the form of state aid, set the basis for the state aid struggle. It would be used to differentiate the material quality of provision of schooling between the public and private school sectors so that the private school sector would become the first choice for most parents. The consequent enrolment drift to private schools and the inadequate centralised test performance of most public schools were used to justify the downgrading of public school provision through policy imposition. More importantly, such publicly reported ‘failure’ could be used to attack public school teachers’ salaries and conditions for their sectoral ‘failure’. This would work through both ‘encouraging’ teachers to shift to the private school sector as salaries rose there and working conditions deteriorated in the residualised public schools, as well as setting the less-effectively-unionised and more-arbitrarily-managed private school sector as the template for public schools’ industrial relations.

The state aid strategy was the provision by governments of state aid to divide the quality of educational provision between sectors. It was the imposition of ‘accountability’ regimes, that is, forms of surveillance and governance, to both differentiate between sectors on ‘academic’ merit, yet impose an authoritarian management regime on public schools more like that found in the private sector. The funding and management regimes fostered by governments in both public and private schools increasingly had aspects of the relationship
between government, corporate contractors and contract staff. The public disparaging of public schools by governments and amplified in the popular media was an attempt by governments to justify moving towards a harsher private sector style of management to ‘fix’ the ‘problem’ of public school ‘standards’. This process would attempt to resolve itself into the power to individually contract and arbitrarily hire and fire staff. The state aid strategy operated at several levels simultaneously and was fundamentally an industrial relations strategy.

The best way to describe and conceptualise the plethora of activities and public pronouncements that formed the state aid struggle was to represent those actions, especially the shifting sands of the rhetorical by-play, as tactical manoeuvres. That is, they were short-term actions designed to address the immediate situation as perceived by the state aid contestants. For example, the NSW Labor government’s occasional disparaging of public school teachers or ignoring the progress of Federal state aid suited its purpose less over time as the Federal government cost-shifted through the Enrolment Benchmark Adjustment (EBA) mechanism. Meanwhile, the test-based accountability process for public schools put in place at a State and Federal level seemed to be meant to eventually apply to all school sectors, despite its initial utilisation against only public schools. Similarly, the Teachers Federation altered its long-standing position on state aid in 1998 to narrow the tactical field for its campaigning to the wealthy elite private schools. The developments in these and other particular struggles showed the tactical inconsistency and shifts of each of the contestants.

The most important tactic in the state aid strategy was governments engaging in a type of contracting-out process that encompassed both the private and public school sectors in slightly different ways. The separate ‘contracts’ for the different school sectors imposed far less onerous processes of accountability on private schools. Those schools selected and excluded students and staff. The selection and exclusion of students by private schools bolstered governments’ public disparaging of the academic ‘failure’ of public schools. The ability of the managers of many private schools to arbitrarily select or dismiss staff suited governments’ ultimate industrial relations aim. In contrast, in the period covered by this thesis, both the selection and exclusion of students and staff in public schools were restricted and closely regulated. The tactical progression of the state aid struggle was governments attempting to subvert the regulation of employment conditions in public

3
schools. The use of the ‘contracting-out’ and selection/exclusion tactics also raised important questions about the gulf between employee obligations and citizen rights and the reduction of the latter to the former.

The thesis also refers to the strategic aims of the state aid contestants. These long term goals, in large part, arose from the strategic positions of the state aid contestants. On the one hand, governments sought to reduce their total expenditure on the provision of school education. This arose from their attempt to manage centrally the totality of an unstable capitalist economy through encouraging private sector investment (amongst other things) through government debt reduction. For the purposes of this thesis, this translated into attempts to reduce the cost of government services such as school education ultimately by reducing the cost to government of teacher salaries. On the other hand, private schools supported by state aid were the tactically most efficacious institutions for governments to achieve this strategy, both as an overall cheaper option for governments and as the sector to serve as the template for the nature of employer/employee relations throughout the entire school education system.

The state aid strategy of governments was an industrial relations strategy. It was a strategy intended to subvert the centralised industrial relations system that afforded public school teachers through their representation by the Teachers Federation some relief from government cost-cutting. The Teachers Federation, as the public school teachers’ trade union, was always in a largely reactive position in responding to the state aid strategy. Its strategic position was that the union sought to maintain the salaries and conditions of its members and maintain membership levels and therefore maintain the union’s revenue base. Ultimately, this conflict between the strategic positions and goals of governments and the teachers’ union meant that the underlying struggle was over the control and direction of the state aid strategy. This struggle took the tactical forms of contests over the rate of increase in state aid, the rate of reduction of public school funding, the reorganisation of public schooling and various other government policies. As disparate and

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* Between 1984-85 and 1994-95 Commonwealth General Government Net Debt rose from 9.9 per cent of GDP to 17.6 per cent of GDP. Between 1995-96 and 1998-99 the Net Debt fell from 18.8 per cent of GDP to 12.1 per cent (Commonwealth Government 1999, p.55 table4).

† The rather elaborate reasons for the so-called ‘fiscal crisis of the state’ and the unstable economic climate of the 1980s and 1990s that led to this situation will not be treated in any depth in this thesis. For a slightly fuller account of the pressures on business and government that pushed them towards so-called ‘privatising’ initiatives in education, see Poynting and McQueen (2003).
at first glance not seemingly connected to state aid as some of these struggles appeared, they were nevertheless connected to the state aid strategy. This thesis suggests that the ultimate goal for governments as the key employers of teachers was to have teachers on individual contracts. The predictable resistance of the Teachers Federation to this meant that it was quite a long-term goal of the employer. The financial, policy and rhetorical favouring of private schools was the main tactical manoeuvre employed by governments to break down the Federation’s resistance to individual contracts.

The thesis draws on sociological commentators to frame and conceptualise the struggle over state aid and its implications since few purely historical commentators have attempted to fully conceptualise the strategic goals of governments or the Teachers Federation in the later 1990s. This commentary is carried out largely in the footnotes to allow the historical flow to be maintained. The thesis draws on the work of Connell, et al. (1982), Apple (1988; 1999a; 1999b; 2001), Smyth and his various collaborators (1998; 2000), Connell (2002a; 2002b) and a number of other sociologists of education. While the works of historians Bessant and Spaull (1972), Mitchell (1975), Ely (1978), White (1986), O’Brien (1987), Barcan (1988), Baldwin (1992), Dudley and Vidovich (1995), Marginson (1997a; 1997b), and Spaull (1986; 2000) were invaluable for positioning the agendas of the Teachers Federation, the Australian Education Union (AEU), private schools and governments, they did not fully explain those agendas, at least in the terms of this thesis.

For this thesis, O’Brien’s (1987) perceptive history of the Teachers Federation between 1945 and 1975 gives some form to the tension between the ‘professional’ as against the ‘industrial’ orientation within the Federation. However, this thesis conceives of that divide in a slightly different way, notably in terms of some elements of the Federation’s leadership seeking compromise in the state aid struggle through its displacement to a second-order issue for Federation members. However, exploring divisions within the membership or leadership of the Teachers Federation was only a sidelight to this thesis. The use of state aid by governments to foster divisions within the Federation as an industrial relations tactic was more central to considerations here. While O’Brien’s work also examines the industrial relationship between governments and the union, as well as recognising some of the importance of state aid in the relationship, O’Brien’s study ends before the use of state aid by governments to shift enrolments reached its implacable tactical power. It is suggested here that state aid came to fundamentally underpin the
industrial relations strategy of governments following the shift in fiscal priorities arising from the 1974-75 recession, that is, after the conclusion of O’Brien’s history.

This is not to say that sociologists of education were much better than historians of education in examining state aid as part of an industrial relations strategy. Their greatest failing was a certain blindness to the role of teacher unions in shaping the culture and working conditions of schools and in limiting or enabling certain actions by governments. This inadequate conceptualisation of the key power relations in the public education system was an important reason for this author’s use of highly selective quotations and citations from those sources: none sustained the strategic argument nor concentrated on union action to the extent of this thesis. Indeed, it seemed quite extraordinary to this author that for sociologists explicitly studying ‘schools’ and ‘teachers’ or historians studying ‘policy’ the role of the most organised and decisive institutional expression of teacher and school demands in NSW, the Teachers Federation, should figure so marginally, if at all, in most of the historical and sociological literature not specifically focused on teacher unions. In most other cases where teacher unions were the specific focus for analysis, the link between teacher unions and state aid was not conceived of as an industrial relations issue. That is why struggle, conflict and contestation are important framing concepts for the progress of this thesis; there were two major contestants in the state aid struggle each organising and mobilising whatever forces they could against the other in an industrial relations contest. Their relative success or failure at this mobilisation is why the tactical and even strategic struggles examined in the thesis show fluctuations and vacillations between positions held by the various antagonists and some ambiguities in the results.

The footnotes also include historical material either preceding or succeeding the period covered either in the thesis as a whole or in the part of the thesis where the footnote occurs. These were needed to show both the historically repetitive nature of some events in the state aid struggle and the further development or culmination of some of those events.

The introduction to the thesis includes definitions of some of the key terms used throughout, including some broad figures on state aid and sectoral enrolments. The

* The later discussion notes that the Teachers Federation through the Australian Education Union (AEU) and the Australian Council of Trade Unions (ACTU) had something of a decisive role in shaping national teacher responses to government policies.
Introduction

The introduction moves to a study of the sources and forms of school funding. Forms of state aid are outlined. The main protagonists in the state aid struggle are defined and more elaboration of their strategic positions made. The nature of private and public schools is examined. The study notes the structural variation within the private school sector and then examines generalised conceptions of the cultural and practical role of private schools in Australian society and in the state aid struggle. Some of the inconsistencies between public education rhetoric and the reality of public school provision are outlined to set the broad scope within which later critiques are made about the supposed ‘democracy’ found in public school provision. The nature and role of the NSW Department of Education and Training and of the Teachers Federation, as well as some other organisations engaged in the state aid struggle, are examined. The introduction then explores broader questions and conceptualisations of authoritarianism and authoritarian populism as organising frameworks in which to set the nature of the state aid struggle. At its broadest level, the state aid struggle was a struggle over employer control and over the nature of school-system management and its accompanying rhetoric. As a struggle over control, it was a struggle for authority in setting the direction and nature of school education provision in NSW.

‘State aid’ is a more-or-less colloquial term used in Australia to denote the provision of government funding to support private (non-government) schools. It is a term commonly adopted by government spokespeople and Ministers, journalists and other commentators, and state aid opponents. On the other hand, terminologically, the provision of government funding to public schools tends to have no clearer definition than that, since that was the fundamental nature of the funding of public schools. Apart from some parental contributions, public schools were fully funded by governments and legislated in NSW, in broad terms, to be ‘free, secular and compulsory’. In concrete terms, as nearly as can be calculated from the ambiguous official reporting of state aid and funding to public schools, across 1995-1999 state aid in NSW increased by at least 30 per cent for an increase in private school enrolments of 11 per cent, while public school funding increased by about five per cent for the 2.5 per cent increase in public school enrolments. The funding trend examined in this thesis is of state aid increasing at a greater rate than the enrolment increase in private schools, moving from a lower base than public schools towards a per capita ‘voucher’ equivalence with ‘typical’ public schools for some private schools. The rate of increase in public schools’ funding approached stagnation, that is, only increasing at
the rate of enrolment increase. However, the situation was not that public schooling had been abandoned by governments, as some anti-state-aid commentators had it. The reasons for this are outlined elsewhere in this thesis.

The historical trend in public and private school enrolments quite closely matched the rate at which state aid was provided to private schools. In 1971, 78 per cent of students in Australia attended public schools. This figure remained almost constant until 1977, when the proportional drift of enrolments to private schools began as enrolments increased there at a greater rate than in public schools. The Federal Coalition Fraser government (1976-1983) reversed the flow of funds under the Whitlam government (1972-1975) from slightly favouring public schools to mainly favouring private schools. By 1991 public school enrolments fell to 72 per cent of all students (Marginson 1997a, p.24 table 2.4). By 1999, public schools in NSW accounted for 66 percent of student enrolments (Noonan & Baird 2000, p.4 chart). This thesis tracks the steady proportionate decline in public school enrolments across 1995-1999 and reveals that it took increases in state aid above the rate of enrolment drift to make private schools attractive enough for some degree of drift to be sustained. The thesis argues that favouring the private school sector by governments discounted the sincerity of their rhetorical commitment to school ‘choice’. ‘Choice’ was driven by governments committed to downgrading public schools and promoting a drift of staff from the public schools to the private schools attracted by the higher salaries and better conditions there.

In Australia there were two types of school sectors, the ‘private’ and the ‘public’. Yet the divisions and segmentation within the private school sector need a certain amount of explanation, as they do within the public school sector. More importantly, most commentators (especially those from teacher unions) worked on the basis that there had been constructed historically in Australia a popular understanding that there were key cultural differences between the school sectors and segments. Some attempt at a description of these differences is made later in the introduction, with the proviso that estimating the popular understanding of the cultural differences between schools is not an exact science. That there were and are popular perceptions of cultural differences between the public and private school sectors was certainly apparent.
Leaving popular perceptions to one side, the reality was that the public school sector was virtually fully funded by governments; around 86 per cent of funding in NSW coming from the State government, the rest supplied as Specific Purpose Grants by the Federal government. Parental contributions to public schools in NSW through ‘voluntary’ school fees and fund raising events contributed about three per cent of those schools’ operating costs. The NSW Minister for Education and Training managed public schools through the Department of Education and Training and the Board of Studies. These departments employed public school teachers, built and maintained public schools, set curricula and policies, and ran tests. The NSW government through its bureaucracy established and maintained material and curricular ‘standards’ in public schools.

The term ‘public schools’ is generally regarded as an appropriate designation for the schools under the direct control and funding of the Department of Education and Training. However, NSW primary schools (elementary Years K-6) are also officially called ‘Public Schools’. Public sector schools are called ‘State schools’ and, officially, ‘government schools’. ‘Public schools’ will be used in this thesis to cover government-managed and fully-funded primary and secondary schools and to clearly differentiate between the public sector (and system) of schools and the private sector schools.

Within the public system there was some differentiation. Schools varied in size and location. The largest schools enrolled about 1,500 students, while the smallest had less than 30. These were often primary schools in remote locations. In 1996, there were 760,078 students in 2,186 public schools in NSW. By 1999, there were 763,169 students in 2,182 public schools in NSW (ABS 2002, pp.7&12 tables 1&6). This meant that over that period there had been an increase in enrolments in the public school sector of over 3,000 students, while the number of schools decreased by four. The types of students enrolled in local schools tended to closely match the socio-economic profile of the surrounding suburbs, notwithstanding the ‘dezoning’ (that is, open enrolment) policy implemented for the public system by the NSW Greiner Coalition government in 1989. The exception to this was the public selective schools that chose the more academically-able students through an entrance examination. This non-compulsory centralised exam attracted over 15,000 candidates for the 3,000 places in selective schools in NSW in the late 1990s. As this thesis suggests, the public selective schools had something of a damaging role to play within the state aid struggle because of their explicit acceptance that within the public
school system some schools could select students rather than vice versa. This tended to justify the fundamental manner in which private schools operated.

Private schools have official and unofficial generic terms. Governments and pro-state-aid organisations and commentators tend to call private schools ‘non-government’ (or, occasionally, ‘independent’ or ‘corporate’) schools and ‘non-government’ is their official designation by government departments. Here, ‘private schools’ will be used to designate the entire private sector of schools, notwithstanding the divisions within the private school sector between systems of schools and single schools. Almost all private schools are connected to some religious organisation. In 1996, there were 305,269 students in 867 private schools in NSW. By 1999, there were 326,423 students in 905 private schools in NSW (ABS 2002, pp.7&12 tables 1&6). This meant that over the period enrolments had increased by over 16,000 students with the number of schools increasing by 38.

The private school sector has internal divisions. There are the wealthy elite private schools, which by religious affiliation are largely Anglican, with some other Protestant and ‘independent’ Catholic schools. These schools are officially designated ‘Independent’ schools. There is also the Catholic school ‘system’, which is the largest private school system and operates under a centralised bureaucracy, the Catholic Education Commission. The Catholic system accounts for about 70 per cent of private school enrolments in NSW (ABS 1999, p.12 table 4). Local Catholic systemic schools fall under the oversight of parishes of the Catholic Education Commission. These ‘mass’ schools, bearing some resemblance in operation to the mass public system, are known as Catholic ‘systemic’ schools. Their official designation is ‘Catholic’ schools.

There are other, smaller ‘Christian’ schools in the private school sector largely drawing on a Baptist religious background. Some are ‘stand-alone’ schools, others belong to relatively small ‘systems’ of schools. Similarly, there are single or small-system schools that are underpinned by other religions, ‘ethnic’ schools and philosophically-based schools. These schools are officially designated as ‘Independent’ schools, which leads to some difficulties for analysis that become apparent in parts of this thesis. In 1998, 223,277 students attended Catholic schools in NSW. Anglican schools held 27,131 students and ‘Other’ private schools accounted for 67,749 students. The greatest increase in private school enrolments had occurred in the ‘Other’ category between 1995 and 1999 (ABS 1999, p.12 table 4).
The chief difficulty with the label ‘Independent’ for a diverse range of private schools was in distinguishing the precise category of ‘Independent’ private school attracting enrolments or quantities of state aid. Elite private ‘Independent’ schools usually charged tuition fees over $6,000 per annum (in the period covered by this thesis; Baird & Noonan 2000, p.11 table) and catered for upper-income families. Small ‘Christian’ schools charged annual fees of at least $1,000 and tended to draw enrolments from middle and lower income families. These disparate types of schools, to give just two examples of the multiplicity of school types in the non-Catholic private school sector, drew on vastly different sectors of the population, but were lumped together in official statistics as ‘Independent’ schools. This made tracking social class and state aid indicators and effects more difficult than otherwise might have been the case. Indeed, this inaccuracy in definition allowed commentators like the Federal Education Minister, David Kemp, to declare in 1998 that state aid to ‘Independent’ schools was actually of benefit to the ‘neediest’ sectors of society, when in fact proportionately greater increases in state aid were being provided by government to the highest fee-charging and wealthiest elite private schools. Officially, both the ‘Christian’ and other small schools catering for the less-advantaged and the elite private schools catering for the most advantaged were ‘Independent’ schools.

To summarise, the terms used in this thesis to mark the designation of school sectoral funding and to differentiate between the two sectors of Australian and New South Wales school education are ‘state aid’ (rather than ‘the provision of government funding to private schools’), ‘private schools’ (rather than ‘non-government schools’) and ‘public schools’ (rather than ‘State’ or ‘government schools’). These are the most simple and explicit terms available. Within the private school sector there were the ‘elite’ private schools (serving high income earners), the Catholic ‘systemic’ schools, and the small ‘Christian’ schools (or other designation for this type of school as the need arises).

The introduction will now proceed to set the broad parameters and forms within which the state aid struggle was prosecuted. These will be dealt with in what may be described as a reverse order of visibility. Thus, the provision of schools’ funding will be the first area examined. This was least visible immediately in the day-to-day work of teachers, but decisively set the parameters for the struggle over policy and representation that formed the more immediate terrain of the state aid struggle. The Teachers Federation and the AEU
spent a considerable amount of time and resources drawing their members’ and the wider society’s attention to the level and progression of state aid. Because the state aid strategy took on varying tactical forms in its imposition on public schools, the state aid struggle appeared most significant at the level of rhetorical debate, but less so at the level of policy formation and implementation. Governments used the lee-way afforded them in the determination of the way they managed their public school workforce to help prosecute the ultimately industrial strategy of the state aid strategy.

The most fundamental level of the state aid struggle and the least visible was the provision of schools’ funding. The thesis will make reference to two forms of government funding for private and public schools. They are recurrent grants (generally per student capita) and capital works grants. Recurrent and capital works grants were provided to both public and private schools by the NSW and Federal governments.* Recurrent grants were meant to cover the day-to-day costs of schools such as teachers’ salaries, teacher professional development, curriculum development, consumable teaching materials and general operational requirements. Recurrent grants were the largest source of state aid, providing, on average, between 46 and 57 per cent of the running costs of private schools in NSW (Garcia 1998, p.5). Within the private school sector, some schools and systems relied much more on state aid than others. However, as the thesis reveals, other sources of state aid need to be taken into account to disclose the full quantity of state aid received by private schools.

Capital works grants were also provided by governments to both public and private schools. The NSW government began providing capital works loan interest subsidies to private schools in 1963 and the Federal government provided capital works grants to all schools in 1964 (Education 1963b, p.6; McIntosh 1994). This thesis suggests that ‘indirect’ state aid, such as taxation exemptions for private schools, was also a significant source of

* After the hiatus in government recurrent funding to private schools in NSW from 1882, the NSW government again began per capita recurrent grants to private school parents in 1964 (Barcan 1988, p.246&251). The Federal government began such grants in 1970 (as blanket funding rather than scholarship funding) and recurrent grants to public schools in 1974 (Ely 1978, p.81 note; Barcan 1988, p.251; McIntosh 1994; Marginson 1997a, p.47). By the mid-1970s, the enormous increase in Federal per capita recurrent state aid initiated by the Whitlam Labor government was continued by the Fraser Coalition government, while the rate of funding increases for public schools declined. The ‘needs’ rubric became the blanket ideological justification for the disproportionate funding increases to all private schools (including the richly-resourced elite private schools). It was in this period, after the electoral demise of the DLP in 1974, that state aid appeared to be being used not simply to support the ‘needs’ of private schools and draw votes away from the DLP, but to reverse the decline in enrolments at private schools (at their lowest point proportionally in 1977). State aid was to be used as an incentive to begin a drift of enrolments from public to private schools. Private schools were to be favoured over public schools as the sites for ‘excellence’ in education and state aid would flow concomitantly.
government ‘funding’ for those schools. The evidence in this thesis reveals the increasing commitment to private school funding – state aid – in its many forms by all levels of government, while the rate of funding increase to the public system declined, only rising at the rate of enrolment growth. The main protagonist of such funding bias was the Federal Coalition government between 1996 and 1999, but apart from one notable exception the NSW Labor government did nothing during this period to alter the progressive swelling of state aid.

In NSW, public schools were managed by the NSW Department of Education and Training, which was ‘among the three or four largest corporations in Australia’ (Beare 1995, p.139) with a budget of $6 billion in 1997. Over $4.3 billion of this budget was spent on public schools’ recurrent and capital needs and $383 million spent on private schools’ recurrent and capital needs (NSW DET 1999, p.13). The Department directly controlled over 760,000 students in almost 2,200 public schools in NSW in 1997. There were 1,600 primary schools (catering for ages 5-11; ‘Years K-6’) and 390 secondary (or ‘high’) schools (catering for ages 12-17; ‘Years 7-12’). The Department also managed some other forms of public educational provision in NSW in 1997, such as 96 special needs schools, Technical and Further Education (TAFE) and the Adult Migrant English Service (AMES) (NSW DET 1999, p.9). In 1995, 67,486 teachers were employed in NSW public schools.

The $383 million of state aid spent on private schools by the NSW government in 1997 in part consisted of per capita recurrent grants based on a sliding scale called an Economic Resource Index (ERI) of 12 Categories; the wealthiest private schools received about 20 per cent of the per capita grant of the ‘poorest’ or ‘neediest’ private schools. Catholic systemic schools were placed in Category 10 (the third ‘poorest’).*

A flat-rate per capita secondary textbook allowance was paid to all private schools. For capital works, the capital projects subsidy scheme paid the interest on loans contracted by private schools to construct buildings or other physical infrastructure (NSW DET 1999, p.14). All students in NSW also received a flat-rate $50 ‘Back-to-School’ allowance paid directly to parents. The student transport scheme, not administered by the Department,

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* The Economic Resource Index had originated as a way of distributing state aid on the basis of ‘need’ at the Federal level from the recommendations of the Karmel committee in 1973. There were originally ten, then 12, Categories of funding. They were reduced to just three by the end of the Fraser Coalition government’s period in office, and restored to 12 Categories in 1985 by the Hawke Labor government (Dudley & Vidovich 1995, pp.93-94). The NSW government was using its own ERI system (based on the Federal Categories) by the late 1970s.
provided free public transport for students to public and private schools, no matter the distance (as long as it was greater than two kilometres).

Private schools in NSW employed over 20,000 teachers in 1999 (ABS 2000, pp.9&10 tables 1&2). Each private school or private school system, such as the Catholic ‘systemic’ group, much smaller Anglican or ‘Christian’ systems, employed their staff under terms of centralised agreements and salary scales (for instance between the Independent Education Union (IEU) and the Catholic Education Commission),* or through local enterprise agreements or individual contracts.† In contrast, the centralised public system had a single enterprise agreement for all school teachers.

The Federal government devoted about ten per cent of its total budget to school education funding across Australia in 1997 (SCRCSSP 1999, p.26 table B.2). By 1998-99, 39 per cent of this funding went to the 70 per cent of students in public schools and 61 per cent to the 30 per cent of students in private schools. In NSW, such Federal funding accounted for on average 38 per cent of all private school income; the remainder was made up of NSW state aid and tuition fees. Federal funding as Specific Purpose Grants (whether recurrent or capital) was provided directly to private schools or to their central authority (as in the Catholic system).

The Federal funding of public schools by Specific Purpose (‘tied’) Grants made up about 12 per cent of the total NSW school education budget (Harrington 1999, pp.3&5 table). Nevertheless, this limited support to the NSW schools’ budget meant the Federal government was able to exert considerable pressure on the NSW government to conform to Federal initiatives, because even 12 per cent of the schools’ budget would cause the State government considerable financial distress if it were to be withdrawn. This centralising tendency through control of resources (the ‘vertical fiscal imbalance’ occasionally cited by

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* For instance, the 1991 Teachers (Non-government schools) (State) Award covered all those employees in private schools except ’employees within the jurisdiction of the Independent Schools and Colleges’ (Section 19 (d); NSW IRC 1996, p.694). Such an agreement meant that the teachers covered by the award (or later the enterprise agreement) were those in the Catholic system and increasingly across the 1990s other smaller systemic school groups. On the other hand, the exemption from the centralised industrial agreement was a key area of convergence for some ‘Independent’ schools, even if their staff and clientele varied widely. All ‘Independent’ schools were able to employ their teachers on individual contracts if the employer so wished, but many were covered by the Association of Independent Schools enterprise agreement.

† This thesis has to contend with the situation that ‘There is, in fact, very little literature pertaining specifically to school-based enterprise bargaining’, according to O’Donoghue and Clarke (1999). ‘There is a need for more analysis about the overall policy context within which enterprise bargaining is taking place in order to make explicit its purposes, emphases and functions’ (p.54). This task in relation to public schools is what this thesis, in a certain way, attempts.
Introduction

authors when discussing Australia’s Federal/State relationship; see Quiggin 1999) succeeded because the NSW government was hardly a reluctant follower of the Federal government’s initiatives. As will be shown, its own policies were substantially in line with and contributed to the basic thrust of the Federal government’s policies. Indeed, perhaps the greatest spur to the NSW government’s support for private schools was that a greater drift of NSW school enrolments to the private sector would save the NSW government considerable amounts of money, as only eight per cent of its total recurrent schools’ spending went to the 30 per cent of students attending private schools.

This thesis tracks the historical trend towards the reduction of the gap between the provision of state aid and public school funding and proposes that for some private schools there existed by 1999 a ‘voucher’ system of roughly equivalent government funding.* This meant that the distinction in government funding per student between ‘typical’ public and some ‘needier’ private schools had been all but eliminated by 1999, yet the private schools’ selection and exclusion rights continued. The degree of selectivity may even have been exacerbated by the competition between students for places in the many oversubscribed private schools and the private schools’ increasing ability on the back of generous state aid and oversubscription to charge what amounted to exclusionary tuition fees.†

Tuition fees were the other key source of funding for private schools. Private schools had always been able to charge fees (and others they required, such as school building levies). They became crucial in the period from 1882 until 1969 in NSW when significant levels of

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* This situation potentially created some tension in the legal position of the NSW government as set out in the Education Act 1990, which states quite clearly in Section 4 under ‘Principles on which this Act is based’: ‘In enacting this Act, Parliament has had regard to the following principles’…:
  ‘(d) the principal responsibility of the State in the education of children is the provision of public education.’
The slow decline in the rate of increase in public school funding and increases in state aid allowed some private schools to offer facilities and teaching and learning conditions unparalleled in public schools. This situation also cast doubt on the government’s adherence to Section 4 clause (c) of the Act, which states:
  ‘(c) it is the duty of the State to ensure that every child receives an education of the highest quality’ (NSW Government 2003b).

† In NSW, public school enrolments fell as a proportion of total school enrolments by 1.4 per cent for primary schools and 2.6 per cent for secondary schools between 1986 and 1997. Anglican schools showed a slight increase (0.4 per cent) in their proportion of total enrolments, while Catholic primary schools’ enrolments fell 1.4 per cent and secondary enrolments fell 0.2 per cent between 1986 and 1997. Nevertheless, with the slow absolute increase of numbers of children in schools across those years, these static or slightly declining enrolment shares still allowed an expansion of the traditional private schools’ infrastructure. The big winners in the enrolment stakes were the ‘Other private schools’, including the smaller Christian and ethnic schools, which saw their share of enrolments rise by 2.4 per cent across all levels of schooling between 1986 and 1997 (NSWTF 1999b, table1).
per capita state aid were unavailable to private schools. The relatively rapid increase in and generous provision of state aid from the early 1970s had seen, on the available evidence, no private schools reduce their level of tuition fees and many increase their fees at a rate well above the rate of inflation. This meant that by 1999 almost all private schools were able to command total financial resources exceeding those in almost all public schools. Some elite private schools (those serving the children of wealthy individuals and charging very high fees) commanded resources at least twice as great as those provided by governments for the average public school.

The introduction will now move to a closer appraisal of the contestants in the state aid struggle. The state aid struggle examined in this thesis was essentially a struggle over the provision of government funding to private schools. The key antagonists in the state aid struggle in NSW were most effectively the Federal* and NSW† governments (which supplied state aid) and the NSW Teachers Federation (the public school teachers’ union). Other actors in the state aid struggle were the public and private school parents’ organisations,‡ the Federal public school teachers’ union (the Australian Education Union; AEU§), the Federal and NSW private school teachers’ union (the Independent Education Union; IEU**), the NSW Department of Education and Training*, some minor political

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* The official designation of Australia’s national government is the Commonwealth government. However, the more common and frequent usage is the ‘Federal’ government, since Australia is a federation of States. That is the usage generally in this thesis. The Federal Ministers for school education in the period covered by this thesis were the Labor Party’s Simon Crean (1993-1996) and the Liberal Party member of the Coalition government, David Kemp (March 1996-2001).
† In the period covered by the thesis, the NSW Ministers of school education were the Liberal Party member of the Coalition government Virginia Chadwick (1990-1995) and the Labor Party’s John Aquilina (March 1995-2002).
‡ In NSW, the public school parents’ organisation was the Federation of Parents’ and Citizens’ Associations (NSW P&Cs) formed in 1922. The Federation of P&Cs represented parents associated with almost all public primary and secondary schools, while the less-influential Federation of School Community Organisations (FOSCO), formed in 1978 from the Federation of Infants and Nursery School Clubs, represented pre-school, infants and some primary school parents’ committees. At the national level, the NSW P&Cs and FOSCO came under the umbrella of the Australian Council of State School Organisations (ACSSO) founded in 1946. All these organisations had executives democratically elected by their members. Private schools had a variety of parent bodies, such as the NSW Parents’ Council and its national body, the Australian Parents Council, and joint parent/school-administration bodies such as the National Council of Independent Schools Associations, the Christian Community-controlled schools organisation, etc.
§ The AEU began its official existence in 1993 out of the Australian Teachers Union, which was formed in 1984 to replace the Australian Teachers Federation (1937-1992). The co-existence of the two bodies (ATF and ATU) was resolved when the AEU achieved registration as the national teachers’ union (Spaull 2000, p.x; Spaull 1986, pp.90-110). Spaull (2000) comments, ‘The NSW Teachers Federation, as the largest constituent of the teacher union movement in Australia and arguably its most effective activist body, was also the key player in the national federation’ (pp.19-20). Sharan Burrow, a former Teachers Federation senior officer, became President of the AEU in 1996. The AEU was affiliated with the Australian Council of Trade Unions (ACTU), the peak union organisation in Australia.
** Formed as the Independent Teachers Federation in 1983 and registered as a Federal union in 1986 (and again as the IEU in 1993), the IEU is affiliated to the ACTU (Spaull 2000, pp.10-14). The NSW IEU has a longer history. Its predecessor was formed in 1954 and became the Independent Teachers Association in 1973. It became the IEU at some time in the 1990s (NSW/ACT IEU 2002). The NSW/ACT IEU had about 15,000 members in 1998, about 70 per cent of all teachers in private schools. Most of its membership was drawn from the Catholic systemic schools. During the period covered by this thesis, Dick Shearman served as the NSW IEU’s General Secretary, that union’s most important position.
parties, small anti-state-aid organisations, and various media commentators, including press ‘education reporters’ and academic ‘experts’.

Employer/employee struggles in public education in NSW, of which the state aid struggle was one, took place between a huge, centralised and bureaucratic government department and a relatively huge, centralised and more-or-less democratic union.† The NSW Teachers Federation was formed in 1918 and registered as a trade union in 1919. It has been described accurately as ‘The largest and one of the most militant teacher unions in Australia’ (White 1986, p.9). The Federation was a member of the Australian Council of Trade Unions (ACTU), the peak national union body, from 1941‡ (Spaull 2000, p.3). In the late 1990s, the Teachers Federation had over 50,000 public school teacher members, including unemployed and retired teachers. This constituted 95 per cent of the public school teacher workforce in NSW, amongst the highest density of union membership of any occupation. This was at a time when unions in Australia covered less than 30 per cent of the general workforce.

The Federation has a very democratic (if generally collegial) structure. It had 48 elected full-time officers in the period covered by this thesis. The three Presidential (or Senior) officers (President, Deputy President and Senior Vice President) were elected by the membership every two years.§ A further 26 other Officers, such as the General Secretary, Welfare, Women’s, Indigenous, Multicultural, Media, Publications, and the 21 city-based and rural-based Organisers were elected for three year terms by the 300 member Council. Organisers were attached to local Teachers’ Associations. The Executive of the Federation, elected annually by Council, consisted of 18 members, including the three Presidential

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† The most senior education bureaucrat in NSW during the period of this thesis was Ken Boston, the long-serving Director-General of the NSW Department of Education and Training (1992-2002). The NSW Department of Education and Training had been the NSW Department of School Education from 1989 to 1997. Before that it had been the NSW Department of Education since 1880. In 1990, the NSW Board of Studies was spun off from the Department of Education and Training to manage curricula and testing in schools (NSW DSE 1993, pp.236-238). To avoid confusion, the various name changes of the Department will be subsumed in the thesis under the title ‘the Department’.

‡ ‘For decades, the Federation has taken advantage of the well established principle that large centralised operations are more susceptible to industrial relations pressure than small devolved organisations’ (Baldwin 1992, p.205). If this were the case, then it would give a further reason for the Federation to resist the fragmenting effects of the secondary school reorganisation that took place from 1998 and attempts at devolving staff recruitment, surveillance and termination to the school level. Of course, such a rationale worked precisely the converse relationship for governments.

§ The standing of the Federation in the ACTU as one of the largest of the white-collar unions was shown by the fact that Jennie George, Federation President from 1986 to 1989, was a member of the ACTU Executive from 1983 (and its first woman member) and later became ACTU President from 1996 until March 2000.

In the period covered by this thesis, the Federation Presidents were Phil Cross to 1996, Denis Fitzgerald 1996-1997, and Sue Simpson 1997-1999. Simpson became Acting President during 1997 following Fitzgerald’s resignation. The General Secretary was John Hennessy. Sally Edsall was one of two Federation Research Officers during 1995 to 1999 and undertook most research on state aid for the Federation.
officers. The Federation’s supreme decision-making body was the Annual Conference of 500 elected delegates from across NSW. Both Council and Conference delegates were drawn from about 100 locality-based Teachers’ Associations and some specific educational occupation associations. Delegates to monthly Councils and Annual Conference were elected by their local memberships, which consisted of all members in the local Association* (Baldwin 1992, p.180). Association delegations to Council and Conference were directly proportional to the number of members in each Association. This meant that all delegates to Council and Conference, Executive members, and, indeed, all Federation officials were employed teachers and were elected to their positions by employed teachers.

Since the rubric ‘state aid’ specifically related to government funding of private schools, then the Federation’s actions around school education will be the main focus of this thesis. Accordingly, public school teacher members are considered mainly, rather than members working in TAFE or prisons. However, the partial contracting-out of the Adult Migrant English Service in NSW and the Federation’s response will be used as a case study of the results and possible implications of the trend towards contracting-out services in school education.†

The militancy of the Teachers Federation was a byword in the NSW labour movement. The Federation first used strike action on 1 October 1968 during a long campaign over working conditions, especially class sizes. Eighty per cent of the membership joined the strike (Mitchell 1975, p.202). ‘Sectional’ industrial action first occurred in 1970 when secondary school teachers struck for a day (Mitchell 1975, p.203), but of most concern to the Department of Education were the ‘direct action’ tactics of the union in 1972 (that is, ‘wild cat’ strikes, when staff in particular schools would spontaneously stop work). In these actions, Federation members were responding to the Department’s charging of over

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* As well as covering school teachers, Federation Associations covered Adult Migrant English Service (AMES) teachers, Technical and Further Education (TAFE) teachers, Aboriginal teacher members and teachers working in prisons.

† Part of the problem with the rapid and wholesale sell-off or contracting out of school education is expressed simply by Gordon and Whitty (1997, p.464): ‘In terms of funding and the provision of education, then, the neoliberal project has consistently been frustrated by the lack of an obvious successor to the state in these roles.’ In other words, there is little profit to be gained by business in actually running schools and a complete adherence to such a laissez faire position by governments could also undermine their control of the curriculum or even of students attending school. Gordon and Whitty note all these limitations on the ‘neoliberal project’ for school education. This was also part of the seemingly contradictory link found in authoritarian populism – the state would use market forms and market rhetoric only to the extent that it could both control the working class (and deregulate wages and conditions) and simultaneously constrain the potential depredations and/or disloyalties of private business that might undermine government legitimacy.
one hundred teachers with disobedience for refusing to cover classes for absent staff (Mitchell 1975, p.205). The same industrial tactic was used over the same issue in 1987 (Baldwin 1992, pp.188-192). The campaign to defend secondary teacher Dick O’Neill in 1985 saw the advent of rolling regional stoppages by the union (Baldwin 1992, pp.184-186). Rolling stoppages were used in the salaries disputes in 1996 and 1999-2000. The Federation also relied on other forms of organising and protest: mass meetings (12,400 attended the mass meeting during the 1968 strike: ‘probably the largest meeting of members of a single trade union in the country’s history’; Mitchell 1975, p.202), demonstrations (50,000 teachers and supporters outside the NSW parliament in August 1988 protested at the newly-elected Coalition government’s education policies: ‘probably the largest such demonstration outside the NSW Parliament’; Baldwin 1992, pp.193-194), and since 1989 the union used SkyChannel satellite television meetings to simultaneously include members at venues across NSW. This showed a growing flexibility in the tactics used by the union in industrial disputation. After decades of ‘professional’ (non-confrontational) unionism, the Federation had matured rapidly into a militant ‘industrial’ union. This was the development that John O’Brien (1987) tracks in his history of the Teachers Federation, A divided unity: politics of NSW teacher militancy since 1945.* However, the Federation had never taken industrial action specifically on the issue of state aid.

While this militancy and its accompanying politics put the Federation on the left of the Australian labour movement, nevertheless, according to Mitchell (1975), a certain conservatism pervaded the union in its resistance to ‘educational change’ (p.212). Mitchell does not clearly make the case whether this resistance was against ‘educational change’ for the better or worse. He was perhaps confusing educational ‘conservatism’ with the reactive nature of trade unionism generally where even the most progressive unions tended to take action in response to initiatives from employers.† That was certainly the case in the state aid struggle between 1995 and 1999, but was to be expected since the policy and funding

* Unfortunately for the purposes of this thesis, O’Brien’s lucid history with its focus on the internal politics of and developments within the Federation concludes in 1975. Its exploration sits at something of a parallel purpose to the issues raised here. This thesis looks at the contestation between the Federation and governments over state aid. This, of course, necessarily features strongly in O’Brien’s history, but not as specifically in terms of assessing it as an industrial relations strategy as is done here. This thesis suggests that the clear link between state aid and industrial relations actually fell outside the period examined by O’Brien.

† Sam Gindin and Leo Panitch (2000) note: ‘The problem with unions is not…that they have been too defensive but that, in most cases, that they have not been defensive enough; at least not defensive in a way that allows them to get beyond merely being reactive’ (p.3).
decisions taken around state aid were made by governments. More pointedly in terms of industrial disputation, the NSW government, through the Department of Education and Training, was the public school teachers’ employer. The Teachers Federation was struggling against an employer that had access to legislative power that could be used against the Federation. Ultimately, the Federation could simply react to those industrial and policy decisions, their implications and results. This was not to say that the Federation did not run ongoing campaigns around state aid and many other issues, but these were often counteracted and constrained by more immediate concerns of the Federation at particular times, such as State and Federal electioneering, salaries disputes or sudden policy impositions by governments, such as the reorganisation of secondary education.

However, Mitchell (1975) does make the telling point that the Federation ‘has been radical only in areas where the bulk of its members agree on the need for change. By its political weight it has helped win improvements in those material aspects of education which relate to the quality of education…. [However,] it has never challenged the centralized staffing and administrative system, or the hierarchical promotion and authority structure of New South Wales public education’ (p.212). Firstly, Mitchell shows here that unity in action was a fundamental source of the Federation’s power. This thesis attempts to clarify the nature of the struggle over educational control in NSW. This was implicit in the growing organisation of teachers and other groups around the Federation’s campaign against state aid, indicative of a tacit struggle over the most fundamental level of control of school education: its funding. The thesis proposes that the Federation’s failure on the second of Mitchell’s points, historically to take united direct action over the centralised and authoritarian nature of public and private educational provision in NSW, allowed governments to use their determinate power with regard to funding and system administration to utilise state aid as an industrial relations tactic set to weaken the Federation’s unity and coverage.

The Teachers Federation’s policy opposing state aid was formed in 1950 and altered and strengthened by Federation Council in August 1961. Its key point was that state aid

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* Rob White (1986) amplifies this: ‘From the point of view of the union, the main thing is to ensure that the rank-and-file members will by and large provide unified support for its policies and strategic plans of action. The need for unity, coupled with the need to develop positions which reflect the ideological basis of this unity, serves to delimit the kind of issues that can be broached and the tactics whereby actions relating to these will receive widespread support within the union’ (p.19).
undermined the Public Instruction Act’s principle of providing education for ‘all children without sectarian or class division’. Other points were that private schools were ‘sectional in nature and cater[] for sectional interests’, while public schools ‘promote a common unity of purpose and feeling among people.’ It was felt that state aid would undermine the separation of church and state. The Federation also raised issues of fiscal efficiency. It was felt that standards would suffer in all schools with the wider and thinner spreading of government funding for any group wishing to establish a school. State aid would mean that governments were ‘evading their responsibility for the provision of effective Governmental education services’ (Education 1962, p.8). In 1965, the Federation reaffirmed that state aid was ‘undemocratic and opposed to the best interests of the Australian people’ and again in 1968. Bessant and Spaull (1972) claim that at least up to the early 1970s the Teachers Federation had been the only public school teachers’ union in Australia that ‘opposes aid to the private schools’ (p.87).

Until 1998, the Federation’s policy on state aid had been total rejection.† This position created dilemmas of perception and unity both within the union and for the public. Within the union a minority of members had their children in private (especially Catholic systemic) schools. So while the union’s policy on state aid was quite extreme, its ability to take any united industrial action by members around the issue could be weakened by pro-state-aiders and other sympathetic teachers. Its extreme policy position could not be supported by extreme industrial action. State aid was also generally not perceived by the leadership as being as much a primary issue for the union as issues such as working conditions and salaries. The centralised industrial relations system made struggles over such immediate issues institutionally acceptable (in a sense), while contestation of the whole funding strategy of school education by governments had no institutional terrain upon which it could be fought besides the schools themselves. This decisive and institutionalised fiscal subversion of the Federation’s ultimate ability to influence education policy was precisely the reason that governments chose to fund private schools and other private organisations.† This thesis attempts to show that state aid should be the

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* The 1995 Teachers Federation Annual Conference had reasserted the historical policy: ‘The Federation supports the following educational priorities which should be reflected in the election platform of all parties…. The progressive reduction of Federal funding to Private Schools and the reallocation of these funds to the Public Education system’ (NSWTF 1995, p.29).

† The way this point is made in this thesis is to clarify what Herbert-Cheshire and Lawrence (2002) describe as the ‘emergence of new forms of governance, undertaken by a network of government, private and voluntary actors’ (p.137). Rather than a completely ‘new form of governance…that no longer relies upon the formal authority of the state’, as Herbert-Cheshire and Lawrence would have it (p.140), the thesis attempts to show that it was precisely the state that set
primary strategic issue for the Federation. Salaries and conditions struggles were merely tactical expressions of the union’s and government’s strength at any one point in time, while the union’s united and strategic strength was constantly under piecemeal attack by the state aid strategy.

It was also the case that a large proportion of the public had been convinced after decades of effort by pro-state-aid commentators that there were still in the 1990s ‘poor’ or ‘needy’ private schools (again, mostly the Catholic systemic schools) that deserved either some amount or increasing amounts of state aid. This thesis attempts to portray the main media and political currents in popularising this and other various positions in the state aid struggle. While media commentators tended to be rather equivocal about supporting the governments’ position in the state aid struggle, perhaps because the Federal Coalition’s generous provision of state aid to less-than-needy private schools was so blatant, on the other hand the Teachers Federation received nothing but opprobrium from mainstream media commentators and, except in two cases by Education Minister Aquilina in NSW (in the AMES and EBA disputes), politicians of all major parties. These dilemmas had worked effectively enough to mitigate the call for united and determined industrial action against state aid by Federation leaderships for fear of public backlash.

A group within the Federation (Promotion of Public Education – POPE) succeeded in changing the union’s blanket anti-state-aid policy in 1998 so that elite private schools became the main focus for Federation’s anti-state-aid campaigns. It probably was felt by the POPE group that such a position would unite the union’s membership, while potentially dividing the private school lobby between the elites and other private schools. It was also hoped that such a position would diminish the power of the IEU, which historically had acted as a coordinating force in prosecuting the call for blanket state aid. The leadership of the IEU probably felt, as did the Catholic school leadership, that a reduction or elimination of state aid to any school or schools could act as a precursor to its

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the underpinnings, especially in terms of funding, that fostered or restricted the ‘form of governance’ in the school education sector.

* As late as 1984, academic Michael Hogan (1984) could write a carefully considered book that nevertheless reaffirmed that Catholic schools and public schools should be funded on a needs basis, with hierarchies of funding not differentiating between public or private provision. This type of equating of the different school sectors overlooked the fact that the social role and level of accountability of private schools in Australia were not the same as public schools’. This theme has already been canvassed in this introduction. Hogan’s earlier book (1978), The Catholic campaign for state aid: a study of a pressure group campaign in New South Wales and the Australian Capital Territory, 1950-1972, also revealed some of the reactionary impulses of governments and church organisations in campaigning for state aid.
reduction to Catholic systemic schools. Such a situation in turn could reduce the number of teachers the IEU could recruit and threaten its revenue base. However, the blatant increases in state aid to the wealthiest private schools did provoke some comment from the IEU leadership and some Catholic commentators. This was probably because the IEU had little to lose from expressing opprobrium at the Federal government’s largesse to elite schools since most of its members were employed in the non-elite Catholic systemic schools. While the thesis shows that the Federation’s new policy position did little to advance its stocks within the IEU, it nevertheless helped to bring some degree of coordination to campaign messages from and activism by parents’ organisations, anti-state-aid organisations and non-mainstream political parties. The Federation played the leading role in the elevation of public outrage over state aid across 1998 and 1999.

For some Federation members, state aid had become the crucial struggle for the union. Their position seemed to be that state aid would be used to downgrade public school education relative to private school provision. This also coincided with the Federation’s perennial call for more funding for public schools. While campaigning against state aid or in favour of more public school funding could run as parallel issues, they were brought together with the Federal government’s initiation of the Enrolment Benchmark Adjustment (EBA) in 1997. The EBA took Federal schools’ funding from the States proportionate to the enrolment drift to private schools. It appeared that funds were being taken from public schools to support the Federal government’s increasing generosity towards private schools. State aid was for a time no longer a separate or second-order issue for the Federation. However, over the period covered by this thesis, while the Federation took far more campaign action against state aid than at any time previously, increased funding to public education remained the Federation’s chief campaign. The focus on state aid in this thesis should not exaggerate the generally second-order nature of campaigning on that issue by the Federation.

The crux of public schools’ supporters’ fears over the increase in state aid and the reduction of public school funding towards stagnation was that it would cause a relative downgrading of facilities, materials, class sizes (and teacher salaries) in public schools. This relative downgrading was to be used as an ideological lever by Ministers and other pro-state-aid commentators to propose that public schools had lost the competitive race to provide ‘quality’ education. This was part of a process where the strengthened centralised
surveillance of the public school system was to be used to find fault wherever it existed under the rubric of ‘accountability’. *

The most crucial aspect of accountability to track and publicly promote the relative decline of public schooling was the imposition of centralised and standardised tests and the publicising of their results. The empirical ‘proof’ of the decline in public school quality for pro-state-aid commentators seemed to be reflected in the relatively poor public school centralised test results and the enrolment drift away from public schools. The advent of the Howard Coalition government in 1996 saw the vocal support for such a position increase. This ideological attack ran in train with the NSW Labor government’s prosecution of the practical aspects of the downgrading of public education, such as their niggardly increases in public school funding, their obsession with centralised testing and their vitriolic conflict with the Teachers Federation during the salaries disputes of 1996 and 1999. Within a short space of time, such vocal attacks had constructed in opinion leaders in the media a hegemonic ‘common sense’ of derision of teachers and their union for opposing the ‘rectification’ of the ‘failing’ public school sector. ‘Solutions’ were proposed by governments and acted upon to ‘improve’ public school provision. These solutions almost invariably resulted in the sustained flow of state aid and the practical fragmentation of the provision of public school education. It seemed that through such fragmentation (within the public school system and between the public and private school sectors) governments hoped to increase divisions within the public school teaching service and create a diminution in or demoralisation of the membership of the Federation. This fragmentation would reduce the Federation’s ability to act as a unified force. †

This thesis examines the reorganisation of secondary education in NSW with the imposition of the ‘collegiate’ school systems as a case study of precisely the fragmenting of teachers’ common working conditions. The justification for such fragmentation made implicitly by the Minister and other commentators was to better compete with private schools. Concomitant with this fragmentation as exemplified in the case study of the

* Dudley and Vidovich (1995) note that concepts such as efficiency and accountability ‘have become embedded in the notion of quality which has risen to prominence in the 1990s.’ They note that the centralised form of measuring quality has been through the use of performance indicators. As well, ‘quality measures can become an effective tool by which governments increase their control over educational institutions’ (p.127).

† White (1986) comments, ‘the differentiated effects of educational restructuring means that some categories of teachers will benefit, while others will suffer a downgrading in skills and status. The formation of new divisions of labour within the teaching service guarantees that cleavages would emerge if it was felt that union policies threatened the career ambitions of this new layer of educational workers’ (p.21).
collegiate ‘roll-out’ was an increase in governments’ authoritarian control of educational provision. Fragmentation, attempted deregulation of working conditions and increased authoritarian control were to run hand-in-hand in the state aid struggle and its attendant policies.† The breaking of the effective unity of the Teachers Federation and the threatening of teachers with easy hiring and firing (the potential long term outcomes of the state aid struggle) would make alterations to public school teachers’ salaries and conditions proceed more smoothly. This is the broad process examined in this thesis.

State aid was never portrayed explicitly by the union as part of a government-inspired industrial relations strategy. This thesis argues that it was a part of such a strategy. This thesis suggests that because of such an oversight by the union leadership of the goal of governments’ long-term industrial relations strategy (the neutralising of the Federation’s industrial unity and strength), a blind spot had developed in both the union’s membership and the public at large regarding the relationship between unions as intermediary representative organisations largely made up of and acting on behalf of ordinary workers and an increasing authoritarianism fostered both within government and by government through the support of unrepresentative and undemocratic private organisations (such as private schools and their associated religious organisations). Federation campaigns had always had an element of the union advocating on behalf of teachers, parents and students. However, as this thesis appreciates, the advocacy role of the Teachers Federation was always marginalised as ‘undemocratic’ or underplayed as irrelevant by Ministers and most media commentators. Nevertheless, the union’s advocacy became quite pronounced across 1995 to 1999 and was linked in places with the state aid struggle. Yet the failure to question consistently the right of private schools and their supporters to be assumed equally to be representative advocates of the school population was part of the inadequacy of the Teachers Federation’s response in the state aid struggle.

* ‘Deregulation aims at the elimination of “rigidities” imposed by trade unions in establishing wage floors, job descriptions and related wage rates, seniority rights, controls on hiring and firing, and other limitations upon management rights’ (Brand 1995, p.381).
† Rob Lambert (2000) defines authoritarian industrial relations systems in the following way: ‘Authoritarian systems are marked by the unilateral regulation of the employment relationship, which organizes and consolidates employer power while simultaneously disorganizing workers.’ Lambert notes that the 1996 Federal Workplace Relations Act was an attempt at an ‘authoritarian remodeling of Australia’s industrial relations system. New industrial laws centered on individual employment contracts aimed at marginalizing union-based collective agreements. A system of individual contracts reinforces relations of dominance and dependency, a consolidation of power and hierarchy, unilateral decision making, and the promotion of a culture of obedience’ (p.104). This thesis suggests that the ‘culture of obedience’ – the disorganising of the teaching workforce – tactically preceded significant changes in industrial relations and state aid was the most strategically-effective financial incentive to disorganise public school teachers and their union. The ‘obedience’ thereby formed around government policies to ‘reform’ public schools was the precedent to wholesale change to teachers’ employment relationship.
This thesis maintains that the Federation’s relationship to government was as a union struggling with an employer that was actively pursuing the destandardisation of working conditions and salaries of teachers in schools. It is proposed in the thesis that the ultimate strategic goal of governments was to have an individually-contracted teacher workforce. This was the more important aspect of the state aid struggle.

A minor protagonist in the state aid struggle was the Independent Education Union (IEU). The IEU was the single private school sector union in NSW and also had Federal registration. It had a 70 per cent density of membership in NSW, but had a more difficult, if less antagonistic, relationship with employers than did the Teachers Federation. The IEU had considerable difficulty in achieving standardised and comprehensive industrial agreements across the private school sector. In its submission to the Senate Economic References Committee in 1996 the IEU complained that ‘employees in individual schools and across systems do not have access to the complexity of information which impacts upon the operation of non-government schools, and therefore upon the wages and conditions of education employees’ (IEU 1996, p.4). The IEU negotiated about 40 awards and 114 enterprise and certified agreements in NSW (IEU 1996, pp.11-16). The IEU, in totality, was a fragmented, dispute-encumbered union. The IEU’s leadership held the more ‘progressive’ policy position amongst pro-state-aiders of commitment to ‘needs-based’ funding for schools (IEU 2002d). However, in 1996 MCEETYA figures revealed that

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* The NSW Coalition government’s pamphlet of 1992, *Your school’s right to choose*, distributed through public schools to all families, quite explicitly stated that the government wished to have all public school teachers on individual contracts funded through a school-by-school averaged ‘globalised’ budget. Under the plan, there were to be regular performance appraisals of teachers and individual school Principals were to become the legal employers of their school’s staff. The Coalition’s wish list was defeated by concerted action by the Teachers Federation, other unions, parent groups and a general disquiet expressed by many others, including participants in private schools. A history of this important struggle in NSW school education has yet to be written. This thesis is written in the light of this strategy as underpinning, in one way or another, the general public school industrial relations strategy of all major political parties.

† The IEU’s submission to the Senate Economic References Committee in 1996 notes the case of Leongatha Christian School (Victoria) that renegotiated contracts for its employees under the Victorian system that cut pay, abolished holiday leave loading, increased hours of work, reduced leave entitlements and denied union right of access to the workplace – not to mention that a failure to have an ‘acceptable standard of Christian belief’ could be used to terminate staff (IEU 1996, pp.9-10). The IEU also dealt with cases in NSW in 2002 where a teacher was arbitrarily sacked for ‘staff conflict’, a private education provider refused to pay salaries, and a school sacked all its probationary teachers (IEU 2002a,b,c).

‡ The justification for increased state aid both in the early 1960s and then more persistently as a government policy position from the early 1970s was that educational standards and resources in private schools had to be brought up to the level of public schools. This was the ‘needs-based’ (or simply, ‘needs’) policy formulation. The first report to identify ‘needs’ as a basis for state aid was the *Needs Survey* of 1969-70. Malcolm Fraser, as Federal Coalition Education Minister, abandoned the survey in 1971, reasoning that class sizes as an indicator of ‘need’ were unimportant (Koffel 1972, p.192). The largest class sizes were in Catholic systemic and public schools.

In the early 1980s, the Federal Labor government defined the needs model more precisely as acting to bring private schools up to a ‘community standard’ (Dudley & Vidovich 1995, p.92). The Federal Labor government’s Economic Resource Index (ERI) system for funding private schools instituted after 1974 seemed to take account of the differential between total public and private resources available for private schools set against the Average Government School
average per capita recurrent funding (from both government and private contributions) across the private school sector was at least $600 above that for the average public school student (MCEETYA 1996, pp.19&23 tables). The increasing generosity of Federal state aid, the Ministerial deriding of public schools, their teachers and their unions and the ignoring of the ‘needs’ formula with the implementation of the Socio-Economic Status Index funding system in 1999, made the IEU’s historical championing of state aid for ‘needy’ private schools increasingly untenable.

The introduction now moves to focus more closely on the nature and role of private schools in the state aid struggle and in Australian society generally. Perhaps the most potent apparent difference between private and public schools was cultural. This aspect certainly was elevated in the state aid debate engaged in by the Teachers Federation, Education Ministers and media commentators. The place and role of private schools in Australian society has elicited its most perceptive comment from Jean Ely in her 1978 educational history, *Reality and rhetoric*. It is worth quoting her comments at length because they contain all the cultural markers usually alluded to, with different emphases, by both pro- and anti-state-aid commentators.

Church [that is, private] schools…have been neither free, nor secular, nor universally accessible. Nor do they wish or intend to be so. All charge fees and are legally entitled to do so. They have specific formal religious objectives, usually Protestant, Jewish or Catholic. The clearly stated objective of by far the largest group of church schools, the Roman Catholic group, is to produce committed catholics. All non-state schools, furthermore, have the legal power to reject pupils on economic (fees), or religious, or any other criteria they wish to impose. Although now extensively subsidized by state and federal governments, they are neither in fact, nor in concept, ‘public’ schools. Some call themselves ‘community schools’, but the usage is eccentric.

In certain respects the two groups of schools [public and private] operate in similar ways. In some other – and not always unimportant ways – they work on radically different principles. Both aim to teach standard school ‘subjects’…although most church schools claim also to teach a ‘religious side’ of these subjects, making the

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Recurrent Cost (AGSRC) as the ‘community standard’. The AGSRC was the average cost to the Federal government of per capita payments for the public system. There were several anomalies in the AGSRC and therefore the ERI calculations, including the fact that notwithstanding such calculations even the wealthiest private schools received state aid. Such a blanket funding system basically undermined the ‘needs’ justification for state aid and was a contentious item of debate in the state aid struggle.

The notion of ‘needs’ changed its content over time. Initially it was in terms of state aid supporting the needs of ‘national development’. Later the fiscal needs of government were used as a justification: that it would be impossible for governments to fully fund all student places if all students attended public schools. The ‘community standard’ idea then arose meaning that private schools should have the same level of teaching resources, infrastructure and teacher salaries as the average public school. With the implementation of the Federal Coalition government’s Socio-Economic Resource index system of state aid after 1999, most of the pretence of a ‘needs-based’ policy position by the Federal government appeared to have been abandoned.
religious dimension the focal point of the education process. Both seek to teach social values, although the community-wide character of ‘public’ schools, as compared to the religious and/or socio-economic selectivity of ‘private’ schools means that, while ‘public’ schools tend to support ‘open society’ principles, private church schools tend to foster ‘closed society’ values. In practice, the openness of the state school ethos is partially qualified by self-selective elitism within and between state schools; and the ‘closedness’ of the church school ethos is, in practice, partially qualified by a somewhat ‘pluralist society’ rhetoric; yet overall, the difference of ethos is unmistakable and pervasive. Finally, both types of school make provision for separate religious instruction; but while in state schools this is optional, and separated from the ordinary work of the school, in church schools it is nearly always compulsory. (Ely 1978, pp.93-94)

Ely’s characterisation of private schools focuses on their cultural role. It raises an important point about the conservative religiosity of private schools and their embodying ‘closed society’ principles. In varying forms, this idea defined the Federation’s and other anti-state-aiders’ most poignant criticism of the private school sector: that it was culturally distinct from, and made a virtue of being distinct from, the public school ‘ethos’. Private schools, at the more sophisticated end of such anti-state-aid rhetoric, were seen by some commentators as seeking to further the interests of their particular religion or social class. This thesis examines in part the cultural claims about public and private schools made by media commentators and journalists, teacher union officials, academics such as Brian Caldwell, Education Department bureaucrats, Ministers Kemp and Aquilina, and Prime Minister Howard. The position maintained in the thesis is that the cultural arguments and their broadcasting were certainly an important arena in the state aid struggle, indeed were the most public aspect of the state aid struggle, but the duplicity, partisanship, ignorance and factual inadequacy of many commentators’ rhetoric meant that as the site for the real contest over state aid and its implications, cultural debate was less important than the prosecution of the state aid struggle through the direction of funding, policy determinations, public protests, political lobbying and industrial action.*

The ‘open society’ nature of public schools – upon which Ely does not elaborate further – is perhaps best characterised as the generally more liberal attitude of teachers and the functioning curriculum in public schools in terms of dealing with questions of social morality or opinion. Public schools were also potentially more ‘open’ in their dealings with the public. Parental concerns had to be seen to be dealt with in an open way in public

* The Teachers Federation had never taken industrial action specifically against state aid. However, concerns over state aid had formed part of the rhetoric accompanying some campaigns (such as over teacher salaries) leading to industrial action.
schools, because those schools did not have the ability to arbitrarily exclude ‘troublesome’ parents, as did private schools. Nevertheless, Ely also points out that within the public system there was a self-selecting elitism enshrined in selective and high-SES schools. Such schools were also seen as more-or-less culturally distinct from local comprehensive public schools. Their cultural distinction was duly and officially measured by the competitive meritocratic processes that had always underpinned state-controlled mass schooling. This thesis maintains that the acceptance of some selectivity in the public school system side-by-side with most other public schools practicing open enrolment proved to be a fundamental weakness of that system when placed in meritocratic competition with selective private schools.

It was the competitive test-based meritocratic nature of the school curriculum that historically the Teachers Federation had had most problems in overturning. There seemed to be largely mute acceptance by most members and Federation officials that that was how the public system was to be run. Importantly for the Federation’s tactical prosecution of the state aid struggle, it was this measured meritocratic success or failure that was to form the rhetorical sounding board for critics of public education. The contestation of the role of testing or meritocracy in the public system (if rarely linked to the state aid struggle, as this thesis attempts to do), as with the Federation’s ban on administering the NSW Basic Skills Test in 1997 and the Federation’s criticism of selective public schools in June 1998, were important moments of resistance for public school teachers. However, neither achieved the overturning of selectivity, centralised testing or measured meritocracy. This thesis attempts to link the role of the meritocratic curriculum, centralised testing, and the open enrolment policy of the public school system together to show that these in tandem operated as a series of cultural, policy, procedure and governance processes that enabled the closer surveillance and populist deriding of public schools. These formed the overarching legitimating structure for the rhetorical attacks to be transformed into Ministerial alterations to public school policies and procedures, as well as increases in state aid. The Federation’s inadequate response to each of these issues is explored in the thesis.

Media and Federation commentators supportive of public education tended to draw the greatest contrast between public and private school cultures: that public schools’ ‘openness’ in terms of enrolment (even within a ‘dezoned’ system after 1989) was the measure of their commitment to ‘democracy’ and egalitarianism. The irony for the state
The cultural distinction between public and private schools was subsumed under a popularised, centralised and generic measure of what all schools were supposed to be about: academic success.

Pro-state-aid commentators created a coded ‘moral panic’ around the supposed absence of (or loss of) ‘values’ in the public school curriculum – often conceived of by media commentators as falling ‘standards’ (especially of ‘discipline’) (Marginson 1997a, Ch.6). Certified public school ‘failure’ allowed pro-state-aiders to denigrate public schools and governments to increase state aid. The common ground of a common school culture was inapplicable to the diversity of schools across school sectors, but a commonality of centralised test instruments gave the ideological linchpin to state aid supporters in their public pronouncements against public schools. Such pronouncements automatically favoured the state aid lobby because the ethos of ‘openness’ of public schools had been relegated to an irrelevancy under the lash of ‘competitiveness’ and ‘success’. The debate over educational standards and the measurement of school success received its greatest boost with the publication in January 1995 of the most complete and detailed statistics to that point in time of NSW Higher School Certificate results. These details and the subsequent annual release by the government to the media of less-detailed information on the HSC allowed the ranking of schools by exam results into competitive ‘League Tables’ of performance. The debates in the media and the Federation over their meaning and the uses to which the results could be put run throughout this thesis. The resolution of part of this debate came with the restriction on the public ranking of schools by Basic Skills Test results (a compulsory test in public primary schools) from a negotiated agreement between the Department and the Federation in July 1997. However, it took Federation industrial action to achieve this incomplete settlement.

Thus, in summary, the prosecution of the state aid struggle meant that governments through the testing regime had inverted the historical rationale for the ‘openness’ of public schools, which had been the formation of a ‘common’ culture. Governments’ historical support for common comprehensive public schooling had within it an implicit criticism of private schools and therefore state aid, because these supported ‘closed society’
organisations. In the inversion of this commitment to broader institutional cultural commonality, government aversion to cultural difference continued, but the attempt at providing a totality of a common culture of schooling was replaced by a narrowing of that cultural commonality to a strengthened commitment to meritocracy. Thus, the cultural commonality of the school education system was to be stripped back to its minimum and this minimum rigidly enforced and made totally pervasive. The stratifying of school sectors, schools, teachers and students by intensive, standardised and centrally-determined tests rested on the assumption of a cultural, but academically-inclined, commonality across all schools and sectors. So an imposed commonality in schooling persisted, despite government rhetoric having shifted from exalting commonality in schooling (while imposing an even more rigid commonality in curriculum and pedagogy driven by a common battery of tests) to exalting ‘choice’ of school and ‘excellence’ in achievement. Commonality in large part was reduced to an intensified meritocracy established around a more technocratic and less-contested centralised curriculum enforced by centralised tests and the marginalising of professional advisory bodies.

Thus, through increasing state aid and implementing wider regimes of selectivity, the historic ‘strengths’ of the public system both in terms of taking all comers and avoiding ‘illiberal’ precepts became its weaknesses. The irony was furthered by the fact that open enrolment and a liberal curriculum were policy positions enshrined by governments in the public system; in the first place, to allow it to function as a mass schooling system and, in the second place, to avoid electoral controversy by averring from the espousal in the curriculum of ‘political’ ‘values’. Yet private schools both through legislated exemptions and policy blindspots had no need or compulsion to either espouse or carry through open enrolment or liberal teaching – and neither seemed to be of much importance in achieving test-based success.

*Dudley and Vidovich (1995) note something of a similar aversion in Federal Labor Education Minister John Dawkin’s 1988 policy statement, *Strengthening Australia’s Schools*: ‘In this exposition of the role of schooling in Australia’s democratic society, there is no mention of empowerment, there is no mention of critical thinking, there is no focus upon the rights of the individual’ (p.123). Technical precepts for schooling hid the concern governments had in moulding values and attitudes through mass schooling. As well, and linking curriculum and representation, Dudley and Vidovich show concern about the ‘apparent shift away from the inclusion of groups such as parents and teachers in determining the overarching policy goals of education’ and the ‘shift in focus from the more broad liberal goals of a general education’ (p.129). The overarching concern of governments, as expressed in *Strengthening Australia’s Schools*, seemed to be ‘that schools had failed to produce outcomes which would enable Australia to compete in the international marketplace’ (p.149). That such economic calculation also encompassed certain values and attitudes, especially towards an acceptance of inequality, was rarely juxtaposed in such a way in official education rhetoric.

†Bob Connell (2002a) suggests that in this type of academic competition between schools for market share of enrolments ‘market forces in mainstream schooling do not generally produce a spectrum of niche marketers. Rather they produce a convergence on the strategy of the “market leaders”, i.e. the elite private schools’ (p.4).
The practical issues of the public/private divide when cultural concerns were put to one side came down to the ability of private schools to select or exclude clientele. This situation positioned private schools as fundamentally operating against generalisable and generic citizen rights. Private schools had, or needed to have, little concern with popular access, social equity or democratic accountability. Private schools are not open, as are state schools, to all suitably aged members of the public in their area. They are exclusive, that is, selecting ‘clients’ on academic, religious and other criteria. They do not, therefore, have to cater for all, including those with learning difficulties, those who present discipline problems, and so on, who create extra demands on the resources of a school. It is not surprising, therefore, that they are able to deliver higher credentials to those whom they do accept. (Cope & Poynting 1989, p.219)

The mass private schools, such as the Catholic system, tended to enrol the children of the ‘aspirational’ working class. The elite private schools were meeting and networking grounds for the children of the bourgeoisie. Both were predicated on individual ‘advancement’ through education (either as academic achievement or social networking). They were fundamentally and blatantly underpinned by meritocratic principles – which had been recentred as the primary and overt principles of the whole school education system. Thus, at the level of the individual, school, school system and industrial relations processes, private schools operated as fragmenting and anti-working-class organisations. In an era of fiscal restraint and attacks on unions, it was perhaps no accident that private schools fulfilled part of an important conservatising and disordering process undertaken by governments against working-class organisations.

On the other hand, public schools, in an ad hoc way, had always been sites for the coming together of the working class, often led in local campaigns by teachers (and their union).

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* This exclusion was permitted under Section 56 of the NSW Anti-Discrimination Act 1977. Under exemptions for religious bodies the Act states: ‘Nothing in this Act affects’…

“(c) the appointment of any other person in any capacity by a body established to propagate religion, or
(d) any other act or practice of a body established to propagate religion that conforms to the doctrines of that religion or is necessary to avoid injury to the religious susceptibilities of the adherents of that religion’ (NSW Government 2003a). It seemed that those few private schools that were not officially affiliated with some religious organisation simply had this anomaly in their status under the law overlooked.

† Neale Towart (2002) defines this as ‘A desire for a better world can be conservatively individualistic (“I want to change my place in the world”) as the “aspirational” view would have it…’ (p.101).

‡ Connell, et al. (1982) summarise the role of elite private schools in a nutshell: ‘The ruling class schools studied…are organic to their class…. They help to organize it as a social force; they help to give it its sense of identity and purpose; they form an integral part of its networks; they induct the young into its characteristic practices; they express common purposes and an agreed (for the most part) division of labour between teachers and parents’ (p.202). The Catholic systemic schools, drawing mostly on working class areas, operated in their hegemonising process more like the mass public system, but for the most part without the teacher-led activism that occasionally was present in public schools.
The state aid strategy on the part of governments was about the demobilising of teachers through the restriction of their union in effectively covering, or finding common ground amongst, an increasingly divided and insecure membership. The role of governments in the state aid struggle was by extension also an attempt to demobilise those parents and students associated with public schools.

It is important that the implications of this argument be expanded. Connell et al. (1982) summarise the way mass public schooling fragments the cultural commonality of working-class students and parents and divides them from their common interests:

> The organization of mass education as individual competition is a mechanism of hegemony in class relations: it divides the working class, undermines its self-confidence, attaches a part of its energy and talent to a process of competition…. No longer did economic inequality stem obviously from an unequal pattern of ownership. Now it appeared to follow from an unequal distribution of talent, duly measured and certified by the [state]. (p.197)

This thesis contends that the competitive (and meritocratic) imperative of this hegemonising process had become the major tactic used by governments not only to regulate the way the curriculum operated in schools, but was the crucial tactic for disengaging parents from struggles around public schooling and, most importantly for this thesis, was the crucial tactic for dividing the teaching workforce amongst itself, with the competition operating between the public and private school sectors, school-by-school (in the testing and enrolment contest) and individual-by-individual (when that contest was appended to teacher assessment and promotion on ‘merit’). These were the crucial non-confrontational tactics for governments’ long term strategy of attacking teachers’ working conditions and salaries.

The competitive meritocracy was a non-confrontational tactic because it rarely encroached on formal industrial relations law. Some testing and teacher appraisal policies had been contested by the Teachers Federation especially when the latter were rolled into the enterprise agreement. However, public school dezoning fostering school-by-school enrolment competition and promotion of staff on merit fostering individual-by-individual competition between teachers had not been contested by the Federation. Further to this, the school sectoral competition fostered by increasing state aid was not, and formally could not be, contested by the Federation within the purview of the existing industrial relations system. This is the conundrum examined in this thesis: that these basic, seemingly non-
industrial, ‘common sense’ policies supporting the ‘naturalness’ or ‘rightness’ of competition, meritocracy and the employer ‘rights’ of continuous assessment and surveillance of employees (and clients, in the case of public schools) nevertheless underpinned the state aid strategy as an industrial relations strategy. There was no higher nor more worthy motive behind governments’ (and others’) championing the virtues of competition and ‘success’ in the ‘market’, but simply governments’ more prosaic need to promote competition between service providers to establish a contracting-out process rendering government service provision cheaper. This thesis contends that governments’ strategic goal was to have teachers become contract workers.

Governments were not always as determined in the prosecution of this conservatising and fragmenting process as they became in the 1990s. Historically, the organisations and business interests associated with elite private schools were generally more concerned to cement their position as an organised lobby promoting the ‘closed society’ principles of elitism, religious sectarianism and a generally conservative culture, rather than launching an intensive disorganising process against the working class and a general assault on existing industrial relations. However, the private school lobby had increased its political sway with the coming together after 1984 of the elite private schools (serving the very wealthy), the Catholic systemic schools (largely serving the working class), and the newer and fastest expanding ‘Christian’ schools (serving both advantaged and less-advantaged sections of the working class) as an ad hoc lobby group endorsing the increases in state aid to each part of the private school sector.

The state aid strategy engaged in by governments increasingly from the late 1970s and more consistently across the 1980s and 1990s brought a certain symmetry to the relationship between the interests of governments and the interests of the state aid lobby. The ‘closed society’ functioning of the private schools based on selectivity and exclusion suited governments’ retreat from generalised employee and citizen rights. The Independent Education Union acted as something of a go-between and unifying force in institutionalising this cross-class alliance. Poynting and McQueen (2003) assert that this cross-class lobby satisfied governments’ class disorganising and electoral interests* (p.24).

* In 1983, Teachers Federation Officer Ray Cavenagh commented, ‘an aggressive Catholic hierarchy and a reactionary Catholic parent leadership…demonstrated recently that they now believe that the Catholic schools should be allied politically with elitist schools’ (Cavenagh 1983). The practical formalising of this alliance was most notable with the
It would seem that in the period covered by this thesis there was a conscious attempt by
governments, perhaps for varying reasons, to use state aid to support the most conservative
parts of the private school sector: the largest per capita increases in state aid (in dollar
terms) were directed to the ‘neediest’ private schools, which it transpired happened to
include the ultra-conservative ‘Christian’ schools, and the largest proportionate increases
in state aid (as a proportion of what had been received previously) went to the most elite,
‘establishment’ private schools. Catholic systemic schools certainly did well out of the
burgeoning Federal state aid between 1996 and 1999, but generally fell between these two
extremes. This cross-class lobby and its attendant ultra-conservative politics were key parts
of what this thesis identifies as a broader movement described as ‘authoritarian populism’,
following Apple (1988).

The terms ‘authoritarian’ and ‘authoritarianism’ used in this thesis are not meant to imply
that there was some type of autocratic power over education policy in Australia exercised
by Ministers or governments. However, the aspect of authoritarianism that became most
prevalent in the 1990s was education Ministers becoming ‘averse to participatory politics’
(Patience 1992, p.30). The thesis tracks the marginalising of the Teachers Federation in
negotiations with the Department and Minister on a range of issues, especially state aid.
Besides being a union, the Teachers Federation was also an intermediary representative
organisation of public school teachers in NSW. The thesis notes the marginalising of other
such bodies, such as the Federation of Parents and Citizens Associations. This rejection
became most intense at the height of salaries disputes, but the NSW government also
remained dismissive of these organisations’ campaigns against state aid until the cost-
shifting crisis of the EBA in 1997.

Education Ministers and media commentators tended to carry through the debate that was
part of the state aid struggle by resorting to populist notions about the decline of public
school ‘quality’ and the need for more authoritarian intervention against ‘feather-bedding’
public school teachers. * When such rhetoric was linked to ‘mass’ organisations, such as the
private school sector, and to political power, and to industrial relations strategies, such as

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* Bob Connell (2002b) comments, ‘Trading on popular frustrations with bureaucratic systems, this attack [on ‘provider
capture’] has generated an elaborate discourse of “accountability”. New systems of surveillance and “performance
indicators” now dominate life in the remains of the public sector. These systems institutionalise distrust of the
professional workforce’ (p.8).
those underpinning the state aid struggle, then this situation may well be characterised as authoritarian populism. Allan Patience (1992) describes the tenor of ‘populist authoritarianism’ as ‘profoundly anti-democratic’ (p.36). Populist rhetoric found deep problems with public education and proffered harsh solutions. These pontifications were couched in a range of repeated motifs and markers. Patience (1992) notes that amongst the notions used in ‘populist authoritarianism’ were patriotism and religious fundamentalism. Patience also notes that such populism was ‘more easily distinguished by what it is against than what it is for’ (p.32). The speeches of Federal Minister David Kemp and Prime Minister John Howard analysed in the thesis certainly reveal the use of negative sentiments towards public school teachers and their unions (without those politicians specifying too closely exactly what their concerns were apart from a decline in ‘quality’) and the use of patriotism (of a certain type) and support for the oppressive pedagogy of the fundamentalist ‘Christian’ schools. Such small fundamentalist schools were in fact the fastest growing private school category in the 1990s, not least owing to the flood of state aid. Other ideological motifs and markers noted in the thesis include ‘quality’, ‘standards’, ‘excellence’, ‘outcomes’ and ‘choice’. Perhaps unlike fully autocratic populism, pro-state-aid commentators were actually in favour of these things, except that it was difficult to decipher what they were precisely, apart from having some relationship to centralised test results, enrolment drift and increasing state aid. The thesis shows that in the implementation of policies justified by such ‘aerosol words’, these notions actually boiled down to increased state aid and tighter surveillance of public school teachers through arbitrary, centrally-imposed measures.

The assault through schools on working class culture, as well as the politicians’ and conservative media commentators’ rhetoric about ‘failing’ public schools, could be characterised as authoritarian populism. It was authoritarian in so far as curricular and workplace change in schools was driven by a centralised and centralising bureaucracy setting arbitrary ‘standards’ while expanding management prerogative. The system’s populism was formed around politicians and the media focusing, to the exclusion of most

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* Michael Apple’s work will be used occasionally in the thesis to extend further this idea (Apple 1988; 1999a,b; 2001).
† Stephen Alomes (1992) notes that in Australia authoritarian sentiments were often attached to the ‘digger tradition’ (p.7). P.M. Howard made exactly this connection in his speech about schooling to an audience at St Paul’s School, Bald Hills, Queensland, in 1998.
‡ Connell’s (2002b) broader claims can be used to make the connection here between state aid and centralised control. He notes that governments can ‘control events through funding structures rather than openly through formal policy-making and public debate.’ He continues, ‘In almost every area of public life the result has been a decline of democracy, a retreat from policy making in public arenas, a greater concentration of authority in the managerial…elite’ (p.8).
other ways of analysing schooling, on ‘common sense’ comments about ‘job readiness’ and vocationalism, individual school ‘success’, school ‘choice’ and the denigration of public schools, their teachers and their union. These administrative and ideological processes came together around the notion of ‘competition’ in an education (and job) ‘market’. However, the provision of state aid and private school selectivity meant that little real competition existed; there was no ‘level playing field’ of equivalent resources or clientele between schools nor were providers able to offer significantly different curricular ‘products’ if they were to remain registered by the state as a school. The ‘free’ market in education was neither free nor a market.

This thesis is at pains to note that there were problems with the concept of markets in school education. Gordon and Whitty (1997) neatly summarise those problems:

Any attempt to analyse quasi-market systems of education is bound to recognise the tensions between political rhetoric and systemic reality and between policies of increasing state control and opening up public institutions to market forces. The dualisms which feature so strongly…are particularly evident in the systems of funding and accountability…and the ongoing struggle to reposition private and state systems of schools. Schooling systems inevitably straddle the state-civil society boundary. (p.464)

This thesis treats the ‘market’ in education as at best a quasi-market. In the Gordon and Whitty quote, as in much debate over markets in education, the central role of the state is rendered obscure by not directly attaching it to the ‘systems of funding and accountability’ or the ‘ongoing struggle to reposition private and state systems of schools’. These are not mysterious actions. As this thesis maintains, directions of funding, regimes of accountability, the domination and direction of public rhetoric, and the ‘repositioning’ (or favouring) of school sectors all stemmed from deliberate government policies. The struggle was the Teachers Federation’s attempt to accommodate, deflect, counter or defeat those policies and the accompanying rhetoric.

At the same time, the state-civil society boundary is not as simple as it seems to Gordon and Whitty. The thesis alludes to the process of the state blurring and diminishing the civil rights of teachers by using the industrial rights of employers and private organisations. The public debate, as tracked in this thesis, over the role of education markets, ‘privatisation’, etc., tended to operate both within and outside the Teachers Federation and the AEU to displace concerns over state aid and its industrial relations implications onto questions of governments’ and Ministers’ elitism in favouring private schools, sweeping generalisations...
Introduction

about the root causes of the imperatives behind the state aid strategy, and searches for ways to ‘promote’ public education so that it could compete in the school education ‘marketplace’. It is suggested here that the aspect of state aid that was most neglected was its use as part of a process to prosecute a totalising industrial relations strategy against the union. That strategy was couched in populist rhetoric that concealed the underlying shift towards governments operating in a more authoritarian manner to carry through their industrial relations agenda.

Beneath the authoritarian populism of Ministerial and media commentary lay the gradual imposition of a more authoritarian relationship between state and citizen. Stephen Alomes (1992) states that authoritarianism can be associated with the ‘hierarchy and control of the workplace’ and with institutional ‘rules and rigidity’ (p.7). These were two clear aspects of the way centralised accountability was imposed on public schools by arbitrary tests with arbitrary standards. The determinate role of the Minister over those workplace procedures falling outside formal industrial relations matters saw the unilateral imposition of regimes of accountability and the ignoring of opposition to marked policy shifts. During the state aid struggle and the reorganisation of public educational provision in NSW, the limited nature of employee ‘rights’ was used to counteract the broader ‘rights’ that teachers had as citizens and, in the process, pushed aside whatever ‘rights’ parents or students may have had in determining the form and intensity of their schooling.

The NSW and Federal Departments of Education were being directed with less and less consultation with the ‘stakeholders’, regardless of Ministerial statements to the contrary. A number of commentators have noted the ‘Ministerialisation’ of education policy since the 1980s (Dudley & Vidovich 1995; Cuttance, et al., 1998; Smyth, et al. 2000). The increased control by Ministers had arisen in part through the restructuring of the senior public service and the introduction of contracts for this layer of public servants. Connell (2002b) concurs: the upper levels of the state have been restructured to resemble the upper levels of the corporate sector. Senior public servants …now work in conditions modelled on those of business executives…subject to performance audits and restructures. They are markedly more vulnerable to the displeasure of their political masters. (p.7)

* The determination of governments should not be underestimated in this regard, according to AEU secretary, Rob Durbridge, in 1999: ‘We shouldn’t underestimate how much the conservatives have the public education unions…in their sights. It is an article of faith for them that unions and their influence must be removed’ (quoted in Spaull 2000, p.168).
The other aspect allowing greater Ministerial power had been the downgrading or abolition of permanent representative advisory or policy bodies. For example, the Schools Commission established by the Whitlam government in 1974 controlled the apportionment of Federal schools funding under broad government direction. The Commission’s board included representatives of the Australian Teachers Federation (precursor to the AEU). After the change of government in December 1975, the Commission became less representative of the majority interest in public education. It was headed by a private school representative under the Fraser government (Dudley & Vidovich 1995, p.87). ‘The struggle over resources was marked by a change from the distributive policies of the early Whitlam years…to the redistributive policies of the Fraser years’ (Dudley & Vidovich 1995, p.9). Then the Schools Commission was transformed from a policy initiator into a policy administrator when their program budgeting became set by the Ministry in 1979 (Dudley & Vidovich 1995, p.80).

According to Dudley and Vidovich (1995, pp.87&93), the Hawke government’s decision to abolish the Schools Commission in 1987 arose from the ‘failure to depoliticise schools funding through the Schools Commission’ around state aid. The government also had concerns over the way the Commission could act as a representative and lobbying body within the bureaucracy. So both state aid and a retreat from intermediary representative organisations underpinned the Ministerialisation of education funding and policy at the Federal level. As Dudley and Vidovich (1995, p.88) contend, ‘Independent, autonomous statutory commissions are not compatible with control’.

Schools funding had come full circle. Whereas the Schools Commission had been established by a Labor government in order to entrust the schools funding issue to educators themselves, another Labor government was withdrawing the administration of schools funding from experts in the substantive field and reasserting direct political control. (Dudley & Vidovich 1995, p.97)

Even more pointedly, they note that in the move towards the ‘Ministerialisation’ of education policy ‘the essence of such a perspective is control’ (Dudley & Vidovich 1995, p.101). Federal schools’ funding was channelled increasingly through the Federal Department of Education under Ministerial fiat* (p.88). The Schools Council with representatives drawn from the former organisations was established in 1987 as a purely policy advisory body. It was abolished by the Howard government in June 1996.

* This became the ‘mega-department’ of Employment, Education and Training (DEET) in 1987 (Dudley & Vidovich 1995, p.95).
Alomes (1992) regards the 1990s as an ‘era of economic decline’ that spurred governments towards the ‘new managerialism of “line management”…, with its exploitative and survival of the fittest values’ (p.14). While the exact nature of that economic ‘decline’ is not so simply put, that governments were under fiscal pressure was doubtless, with overall education spending growing in the 1990s at a rate less than previous decades. As a proportion of GDP, education spending in Australia had fallen from 5.9 per cent in 1975-76 to 4.8 per cent by 1996-97 (Marginson 1997b, pp.4&5; Mukherjee, Brown & Wellsmore 1999, p.4). In NSW, the education budget fell from 28.4 per cent of the total State budget in 1989 to 24.4 per cent in 1998/99 (O’Halloran 2003, p.1).

In such a fiscal climate that had been building since the recession of 1974-75, the internal management of the NSW public sector was to become more authoritarian in its search for efficiencies and cost reduction. The NSW Parliament’s Public Accounts Committee’s report of June 1985 noted that the ‘responsibility for effectiveness, efficiency and economy flows on down the line of management…. All managers in the chain of command have a responsibility for setting and achieving objectives, and for evaluating performance’ (NSW Parliament, Public Accounts Committee 1985, p.31). The report called for more regular performance reviews defined against measurable standards. The basic goal was to ‘enable

* Richard Robison, Kevin Hewson and Garry Rodan (1993) make even bigger claims for the role of authoritarianism in the 1990s (albeit in Southeast Asia). Authoritarian governments may arise under capitalism ‘prior to the emergence of a cohesive and hegemonic bourgeoisie’, but may also ‘be essential for the long-term survival of market capitalism’ (p.11). The authors are rather non-committal as to the relative priority of either of these assessments. Lambert (2000) derives a link between the economic and political forms of the industrial relations systems of Australia and its authoritarian Asian (or in Lambert’s example, Chinese) competitors through the relevant governments seeking to give employers a competitive advantage in the global labour market (p.104). Under these conditions, authoritarianism could have been reasserting itself in Australia in the 1990s as a formerly largely cohesive ruling class lost some of its hegemonic position under the impact of foreign competition and takeovers and perhaps attempted to shore up that position through institutional reproduction in elite private schools. It could also be that the instability of the Australian economy as a limited industrial economy meant that governments had to intervene quite directly to lower wages and selectively reduce government spending on the one hand and entrench privilege on the other ‘for the long-term survival of [Australian] market capitalism’. This could explain the two tendencies in governments’ provision of state aid: the deregulation of industrial relations through favouring private providers and some minor deregulation of the functioning of private schools relative to public schools, but at the same time the tight regulation of accountability measures and making almost all schools solidly dependent on government funding. This dual process is summed up by Ralph Miliband (1983): ‘the two main impulses generated by executive action within the state are the self-interest of the power-holders and officials and a conception of the “national interest”’ (quoted in Robison, Hewson & Rodan 1993, p.31). The reproduction of the elite serves both ruling class self-interest and is justified under the claim that the ‘superior’ education found in the elite private schools supports the ‘national interest’, while the simultaneous imposition of ‘flexible’ wages and conditions on working people serves the economic self-interest of the ruling class and directly serves the ‘national interest’ of competitive advantage in the global ‘market’. This may explain the dual economic and political tendencies of the state aid strategy of governments: the inordinate funding of elite private schools by government (self-interest) and the attack on teacher unions (‘national interest’). There was a second-order part of this strategy, the electoral role of state aid in constructing an ‘aspirational’ ‘middle class’, especially associated with the Catholic systemic schools, willing to vote for cultural conservatives – from whatever political party. In other words, it was the cementing in place of a thoroughly conservatised working-class fraction through government funding. The latter is the major ‘hegemonic’ role of state aid with its attempts to mobilise a broad ‘historic bloc’ wedded to authoritarian populism.
performance to be measured and value for money to be demonstrated adequately’ (pp.31-32). By the time of the 1989 Public Accounts Committee report and with a Coalition government replacing Labor, a more pointed estimation of the need for accountability was included in the report *The challenge of accountability*. ‘Public pressure, and the financial climate of government and the state and national economies, demand more than ever before that these authorities account through Parliament to the electorate…. Government must demonstrate that it has achieved sound financial management, efficiency and effectiveness of operation, and delivered value for money’ (NSW Parliament, Public Accounts Committee 1989, p.1). Australian governments saw the large size of the public sector workforce and the extent of public sector spending as problems (p.5). A series of solutions were in train:

Reforms begun under the NSW Labor Government and accelerated under the present Liberal Government have shifted public sector management away from a focus on inputs and processes, towards an interest in outputs, efficiency and effectiveness. Responsibility for the management of individual enterprises is being devolved…. Increasing emphasis is being placed on commercial management principles. (NSW Parliament, Public Accounts Committee 1989, p.6)

Government agencies were to be ‘converted from costs centres into profit centres through: commercialisation; corporatisation; and privatisation’ (p.6). The provision of a range of public reports from agencies was under examination and the Federal Labor government was seen as leading the way on accountability and ‘privatisation’ (p.7).

In line with the prescriptions of the Public Accounts Committee, the thrust of the key reforms underpinned by state aid seemed to be to enable employers to abrogate centralised salary and conditions agreements and move to localised ‘flexible’ staffing, that is, to operate in the industrially-freer and more authoritarian manner of private corporations. With the private school sector boosted by generous state aid, its immediate attractiveness for both students and staff meant that staff would follow the drift of students into a sector with an industrial relations system more-or-less based on individual contracts. Governments would be allowed to be more recalcitrant in industrial disputation and impose individual contracts in the public sector as the ‘solution’ to the ‘crisis’ of the relative failure of the public system to halt the drift to private schools. This dual industrial relations process of downgrading the public sector while increasing the provision of funding to the private sector (in this case exacerbated by providing state aid to schools founded on selectivity) appeared to be the strategic goal in education of all governments.
This was the way an industrial relations strategy underpinned the cost reduction imperative and flowed into both system-management and curricular change.

Such an industrial relations strategy was most obvious at the Federal level. The Federal Coalition government’s *Workplace Relations Act 1996* reduced trade union rights and trade unions’ ability to manoeuvre industrially. The *Act* would ‘encourage the growth of individual contracts’, ‘encourage competition between trade unions’ (Spaull 2000, p.151) and enhance employers’ ability to restrain wage rises and alter working conditions in the employers’ favour. Of course, an effective way for employers to achieve ‘flexibility’ in wages and conditions was through their ability to threaten staff with an arbitrary regime of hiring and firing.* The reduction in the capacity under the *Act* of the Industrial Relations Commission to intervene between employers and employees and the transference to the courts through litigation procedures of significant areas of industrial relations disputation meant that the threat of dismissal became even more effective as a labour disciplining mechanism.

The most tenacious and overt promoter of such an industrial relations strategy was the Federal Coalition government elected in March 1996. While the government may have had more than one reason for following such tactics rather than simply industrial relations reform, no Education Minister was as overt in their public expression of the tactics and strategy of the state aid struggle as David Kemp, Federal Minister for Education from 1996 to 2001, who made little attempt to hide his anti-unionism before his party’s accession to government. In 1986, Kemp had noted that a ‘free society’

requires private institutions which have a genuine independence in organization...in which there is no single concentration of authority.... Unionism is compatible with

* ‘Flexibility’ is a reasonably indefinite term, used originally as a positive concept by promoters of labour market deregulation and increasingly seen as a pejorative term by those opposed to such deregulation. Lambert (2000) defines it as ‘freedom to use contractors, part-time, temporary, or casual labor on any work as required; individual performance assessment;... the right to hire and fire on “merit” as decided by the company’ (p.105). Using contemporary statistics, Pickersgill (2001) notes that ‘labour flexibility has largely been achieved through increased hours of work amongst full-time employees and the expansion of non-standard employment relationships.’ ‘The productivity increases reported in both private and government enterprises...have relied mainly on the extension of the working day and the intensification of labour’ (pp.122&126). There has been very little research into the changing employment relationship under the regime of ‘flexibility’ in the private school sector, and, of course, its diversity makes generalisations extremely difficult. However, Leck and Chadbourne (1998) found that in private schools in Western Australia, ‘enterprise bargaining has increased the difference between teachers’ salaries but made little difference to student learning, school work organisation and teacher unionism’ (p.49). The importance of this finding is that what may be called the ‘inelasticity’ of the nature of the work of teaching meant that salaries could be differentiated and reduced for a certain section of the teaching workforce, yet the quality of teaching or administration would not necessarily decline, at least in the short term. In such an industrial relations climate underpinned by discriminatory legislation even the level of union coverage made little difference, at least in the short term. For a broader discussion of the implications of ‘flexibility’, see McQueen 2002/03.
such a society, but the particular kind of unionism which has evolved in Australia is not. (Kemp 1986, p.2)

Despite the rhetoric, Kemp did not mean that governments should not have a ‘concentration of authority’. If teacher unions were dismantled or marginalised then, by default, the single force directing school education would be government. Kemp went on in his 1986 speech to rail that the greatest encumbrances of a ‘free’ Australia were compulsory unionism and ‘monopoly’ unionism.

Kemp’s description of compulsory and monopoly unionism meant that the Teachers Federation was a prime example. The Federation had had an agreement with the Department for unionists to receive priority in initial employment (abrogated in the Metherell years) and 95 per cent of all NSW public teachers were members of this single teacher union. Trade unions, according to Kemp, erode the ‘political liberties of individual Australians’ by making ‘contributions of members’ funds to the Labor Party and to the ACTU’ (the Teachers Federation did the latter, but not the former) (Kemp 1986, p.4). Kemp’s greatest concern about trade unions’ erosion of liberty was that they had coerced the industrial relations system into enforcing ‘termination conditions and legislating for equal opportunity’ (pp.4-5). The virtually permanent tenure of public school teachers enforced by a transparent ‘improvement’ process for those found ‘inefficient’, as well as the equal opportunity legislation covering all public service appointments and promotions, meant that the Federation supported precisely what Kemp saw as the greatest encumbrances to workplace reform.

Kemp (1986) also showed his concern with unions acting as intermediary representative organisations:

The rightful claim of unionism in a society where there is equal liberty for all is a claim to reasonable consideration and consultation, and nothing more…. (p.5)

Kemp’s priorities were to deregulate the teaching labour market and so weaken teacher unions that they were unable to act as effective advocates for public education. The private schools, of course, had more the industrial relations and cultural atmosphere that Kemp preferred. John Howard confirmed this vision of a totally deregulated labour market in 1990:

The key to changing the [industrial relations] system and freeing up the labour market is undoubtedly the voluntary agreement. (Howard 1990, p.3)
This thesis tracks the way that state aid and associated policies in the public school system were being used indirectly to deregulate the teaching labour market. For that deregulation to ultimately take the form of contract labour was the strategic goal of governments. More importantly, the thesis tracks the struggle over the authoritarian process by which the teaching labour market was to be deregulated, using the role of state aid and the private schools as indicative of key elements of governments’ moves towards more authoritarian regulation of school education.

The fundamental point of that process for governments was that labour market deregulation could only fully take place once the Teachers Federation had been prevented from taking effective industrial action. As a monopoly union with consistently strong support from its membership, a longer term strategy had to be put in place to weaken the union. The provision of quality public school education had to be rendered more difficult through punitive surveillance and publicly-reported ‘failure’, while teaching and learning conditions were to be eroded there relative to private schools. Publicised ‘failure’, enrolment drift, declining salaries (relative to private schools) and onerous working conditions were the tools to demoralise and ‘persuade’ teachers to move to the private sector. However, it appeared that no government wanted the wholesale collapse of the public system. Perhaps they calculated that such a situation would unite parents and teachers perhaps as never before to resist further deterioration in the provision of public schooling. Indeed, such a close alliance was forming during the period studied in this thesis. It can therefore be assumed that all governments would continue to sustain some funding commitment to public schools, if on a trend towards a stagnation of the rate of funding increases as a preliminary to implementing a voucher system of equivalent public/private school funding.

The thesis will now track these developments in a chronological way. The cost reduction goal of governments was played out in school education as an industrial relations strategy, the state aid strategy, contested in the tactics of the state aid struggle.
Chapter 2

The state aid struggle and the New South Wales Teachers Federation 1995 to 1997

This chapter begins by introducing the background within which the state aid struggle in NSW took place. Enrolment statistics are noted and their implications for teaching and learning conditions in the public and private school sectors. State aid from both Federal and State sources continued to increase and at a rate greater than private school enrolment increases. The equivocal support of some politicians for public education was counterposed by rhetorical attacks by other politicians and media commentators on public schools, their teachers and their unions. Such attacks became a feature of the state aid struggle after March 1996. The attacks were launched by the new Federal Coalition Education Minister David Kemp. The Federation and AEU responded, showing that the war of words was a key component in the state aid struggle. The Federation’s attempts to counter the criticisms of governments and other commentators ultimately had little effect either on the flow of state aid or governments’ implementation of invasive accountability regimes in public schools.

The chapter reveals some of the developments in public school ‘accountability’, such as the first comprehensive publication of NSW Higher School Certificate (HSC) results in 1995 and the establishment of the Department’s Case Management Unit (CMU) in September 1996. Nothing like the latter was established by private school authorities to deal with allegations of child abuse in those schools arising from the Wood Royal Commission. More pervasively, the expansion of the testing regime in public schools and the publication of test results, as a form of public school accountability, became a contentious issue between the Federation and the NSW Education Minister, John Aquilina. The publication of the comprehensive HSC results, although initially resisted by the Minister and the Department, seemed likely to lead to the publication of the test results for the Basic Skills Test (BST) – a literacy and numeracy test held only in public primary schools. The Federation had some success in restricting the details to be reported from the BST, but the Federation equivocated on the degree of its opposition to centralised and reductive paper-and-pencil tests. The importance for the state aid struggle of the implementation of a more thoroughgoing regime of ‘accountability’ (or teacher surveillance) reduced to centralised testing of students was that it allowed the public
disparaging of public schools and teachers for their perceived ‘failure’ when compared with private schools. Private schools were largely unable to be compared publicly on test results in the same manner as public schools because they were under no legal obligation to participate in the new testing regime. The perceived and publicised ‘failure’ of public schools legitimised the provision of state aid and governments’ increased pressure on the public system and on the Teachers Federation to allow the alteration of teachers’ working conditions.

When the new Coalition Federal government abolished the previous Labor government’s New Schools Policy in 1996, they effectively devolved to the States the registration requirements for private schools’ establishment funding and ongoing state aid. The NSW legislative requirements for private school registration were far looser than the former Federal New Schools Policy. However, the State Labor government did nothing to make those requirements more stringent, while nevertheless complaining about the Federal Coalition government’s abolition of the previous policy. Apart from the lax registration procedures for private schools and their avoidance of the increasing surveillance and accountability regime of test results in public schools, few other aspects of ‘market deregulation’ were apparent in NSW schools. This was because tightly centralised government control over school funding, school registration, curricula and student certification continued. The greatest gap between public and private school accountability seemed to be that private schools, under the NSW legislation, could employ completely untrained and uncertificated ‘teachers’.

This chapter proposes that, despite some pessimistic statements by the Teachers Federation, the wholesale sell-off or contracting-out to private providers of public schools was probably not on any government’s agenda. Funding to public schools appeared to be sustained at a rate adequate to cope with enrolment increases. Both state aid and public school funding figures were notoriously difficult to calculate precisely from official government statistics. Federation Research Officer Sally Edsall compiled the first comprehensive database of Federal and NSW state aid in 1997 and declared in August, to great media and state-aid-lobby consternation, that Catholic systemic school students received more per capita funding than public school students. The situation of local government subsidies to private schools as part of the totality of state aid also became an issue for the Federation in 1997.
Nevertheless, while it was obvious from the trend in funding figures that private schools were clearly favoured, it did not appear that public school funding was being reduced precipitously. That said, some working conditions deteriorated in public schools consequent on an increased senior school retention rate, increased administrative workload and narrowing of the curriculum fostered by centralised testing. In this situation, the Teachers Federation was engaged in a two-sided struggle. The first side was the need to counter the carefully staged-managed pronouncements on the ‘success’ of private schools displayed in the media and the consequent flow of state aid coming from governments. The second side of the struggle undertaken simultaneously was an attempt by the Federation to promote the ‘success’ of public schools and counter their disparaging and underfunding. The chapter shows that the Federation oscillated from one stance to the other.

However, in the struggle the Federation never really challenged the fundamental control of schooling by governments. The role of governments was decisive in setting the agenda and procession of tactics in the state aid struggle to which the Federation had to respond. Governments substantially controlled and funded all sectors of school education and used that situation to encourage and fund the expansion of private providers and devolve aspects of budgetary and workplace control in the public schools. In total, these circumstances meant that the provision of school education was moving towards a contracting-out situation more than a fully market-led deregulation of school provision. As part of the steering-from-a-distance model that characterised contracting-out, ‘accountability’ served as the rubric under which a panoply of control and surveillance mechanisms were imposed on public schools. Even so, legislative and curriculum requirements were stringent enough, as well as the publication of HSC results, that private schools could become more accountable at some future time. The close government control of school education seemed to be non-negotiable. So-called privatisation (or marketisation) of education would take the form of a contracted government service, with the implications for employment conditions and the role of the Teachers Federation that having a contracted membership entailed.

* This lack of effective challenge to government control of education was despite the fact that the Teachers Federation’s official policy was that the ‘Full and active participation of all teachers in decision-making is essential at school, regional and state levels’ (NSWTF 1995, p.19).
The state aid struggle was an industrial relations struggle over the ability of unions to effectively represent teachers’ interests. The introduction by the Labor government of the ‘Teaching Standards Bill 1998’ into the NSW parliament in 1997 revealed this clearly. It aimed at diluting the qualifications necessary for teacher registration by including untrained private school teachers as available for employment in the public school sector. It was both a retreat from sustaining teacher ‘quality’ (despite the endless reference to promoting school ‘quality’ expounded by all politicians) and an attempt to make available for public schools a potentially less union-oriented workforce. The Bill was defeated because of its unacceptability to both the private school sector and the Teachers Federation, but the thrust of its prescriptions showed that for governments public school ‘reform’ was fundamentally about reshaping and constraining the teaching workforce.

In amongst all this, a group calling itself ‘Promotion of Public Education’ (POPE) formed within the Teachers Federation that sought to make state aid the key issue for the Federation. It would do this by going outside the usual Federation-endorsed actions by making direct protests against the recipients of state aid, the private schools, instead of confronting the issue at one remove by condemning governments as the Federation usually did, while taking no direct industrial action against governments over state aid. This limitation of Federation action generally led to the Federation being out-maneuved and deflected in the media war of words. The POPE group succeeded in modifying the Federation’s long-standing policy on state aid to focus it more tightly on the elite private schools. This tapped into the anti-elitist sentiment that formed the most central (if inchoate) critique of state aid made by many public school teachers, Federation activists, public school parents, the leadership of the P&Cs and many other anti-state-aid commentators. Federation activity against state aid now had a more popular basis from which to operate. However, by the end of 1997, while the Federal government’s most abusive disparaging of public schools to justify state aid had been blunted, the flow of state aid and the insidious attack on public schools through the test-based ‘failure’ regime continued.
In 1995, about 31 per cent of all students in NSW were in private schools. Public schools held about 69 per cent of all students, an historical low in public schooling’s share of students. At the same time, retention of students to Year Twelve in public schools, after a steady rise from 1983, surged in 1990, reached a peak in 1992 and declined slightly thereafter. This was a significant challenge for public schools, having to cater for the approximately 45 per cent increase in retention rates to Year Twelve. Catholic schools saw a 36 per cent increase in retention and Independent schools’ retention to Year Twelve increased by about 12 per cent (ABS 1999). The proportion of total youth enrolled in public and private schools had increased significantly during and after the 1989-1991 recession and the provision of education for the growing number of senior students had fallen most heavily on public schools in which staffing levels had not risen commensurately.

Adding to the increased teacher workload consequent on the increased retention of senior students was the across-the-board increase in public school average class sizes between 1983 and 1997. Class size was the most significant indicator of teacher workload. Federation Research Officer Sally Edsall reported that between 1983 and 1997 in public schools ‘all Primary years except Kindergarten, experienced an overwhelming increase in the proportion of classes between 26 and [the maximum size of] 30 students. Classes smaller than 26 and larger than 30 have all declined.’ Primary classes over 30 students had ballooned during the Metherell years of 1988 to 1991, but this trend had reduced subsequently. Edsall continued, ‘there was a convergence around the upper end of the “maximum” or “need not exceed” class size [the Departmental terminology in agreements about class sizes]. This has been at a time when the number of primary students has fell [sic] from 477,811 (1983) to 451,560 (1997)’ (Edsall 2001, p.2). For public secondary schools, Edsall found in the junior years (Years 7-10) class sizes had all increased towards the maximum of 30 students. There had been a general increase of about one student per class, making approximately 60 per cent of all classes in junior secondary schools in the range of 26 to 30 students. Years 11 and 12, the Higher School Certificate (HSC) years, had increased by about one student per class, making most classes approach the upper limit of 25 students. Indeed, 4.6 per cent of senior classes were over the 25 limit, putting them outside the formal staffing agreement between the Federation and the
Department (Edsall 2001, p.3). The Federation ran no significant class sizes campaign in the 1995 to 1997 period.

The increase in teacher workload commensurate with larger class sizes could be perceived publicly as a decline in teaching quality in public schools. Large class sizes did tend to reduce the ability of teachers to give appropriate time to each student, either in class or in commenting on and correcting student work and the writing of substantive reports on students’ achievements. The conspicuous deterioration of teaching and learning conditions in public schools made it more difficult for those schools to compete on the ‘level playing field’ of measured academic success by which schools and school sectors were to be evaluated in the new education ‘market’.* State aid was to play the role of making those inequalities even more conspicuous.

In 1995, press reports dovetailed into the state aid debate by forming public perceptions of the relative educational value of public schools by rating their examination performance against that of private schools. The public rankings of school performance became known as ‘League Tables’, a metaphor derived from their resemblance to the competitive ranking of football teams.†

The ranking of schools increased in importance and visibility with the publishing in the *Sydney Morning Herald* of a Local Government Area map of Sydney plotting Tertiary Entrance Rank (TER) results (the matriculation score achieved at the Year Twelve HSC) for the 1994 HSC examination. The results were obtained by the *Herald* through a Freedom of

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* On the front page of the *Sydney Morning Herald* in March 2003 was a story reporting the NSW government’s audit of class sizes in 1,714 public primary schools. It was the first such audit since 1997. The information on the audit was obtained by the *Herald* through a Freedom of Information request after a four-month delay. The story pointed out that since the single staffing formula was introduced for primary schools in 1988 composite classes of different Year groups had grown to become 38 per cent of all classes. The Departmental audit also found many classes exceeding the ‘need not exceed’ limit, most often in Kindergarten and Years 5 and 6. The largest classes found had 37 students (Doherty & Malkin 2003, pp.1&4).

† The 1995 Teachers Federation Annual Conference decided that ‘The HSC faces another immediate danger with attempts by sections of the media to obtain and publish “League Tables” of schools’ HSC results. Descending as it does from Thatcherite social policy such an attempt is to be deplored’ (NSWTF 1995, p.17).
Information request.* Even with the previous NSW Coalition government threatening to publish HSC examination ‘League Tables’, such comprehensive statistics had never before been released (see Burnswoods 1995, p.49).

According to Herald journalist, Mark Scott’s, commentary on the map, ‘students living on the North Shore and the eastern suburbs gain a tertiary entrance rank in the Higher School Certificate exams on average twice as high as those received by students living in Sydney’s south-west…[T]he analysis confirms the remarkable advantage received by students from wealthier backgrounds through the education system – despite major spending on equity strategies such as the Disadvantaged Schools Program’ (Scott 1995a, p.1). The Herald’s front page revelation of HSC results meant that public and private schools, apart from their struggle over their market share of student enrolments, were now in open competition over examination results. The resultant educational disparity was running two-to-one against students attending schools in Sydney’s least-advantaged suburbs. Most students in those suburbs attended public schools, while almost a majority of students attended private schools in some of the Herald’s most successful suburbs. Those suburbs also tended to be Sydney’s wealthiest. However, in the absence of a decent analysis of the socio-economic roots of school success and failure the Herald’s schematic revelation may simply have helped to form the perception amongst parents that public schools in their areas (especially in Western and South Western Sydney) were ‘failing’ their children.

Since the HSC and other tests and the public airing of their results were to be basic currencies of the struggle over state aid, some discussion is needed of the real role of the increasing centralised test-based regime in schools. Test-based results increasingly were to be deployed by governments to provide so-called educational accountability by measuring school and school sector ‘quality’. This process could then be used to justify the increased provision of state aid or public school cutbacks as the promotion of educational ‘quality’. At base, the philosophy behind such a regime of accountability was that quality as test-based ‘success’

* In 1997, the NSW government amended the Freedom of Information legislation to allow only selected information on the HSC to be publicly available. According to journalist Stephanie Raethel, following the media exposure of Mt Druitt High’s HSC results in 1996 which had become a ‘source of lingering embarrassment for the Government – it decided that providing information on school performance made it too easy a target.’ As well, the ‘Teachers’ Federation…has a pathological horror of parents being able to compare schools’ (Raethel 1999b, p.17).
would be encouraged by punishing failure. Successes were to be lionised, failures punished. Test results as a legitimating motif were to be used by governments and the media in a manner that suppressed or marginalised any other significant analysis of schooling. There was to be a shifting of the focus for public concern over schools from social inequality and government inputs to school and/or system accountability. This ideological task was not easy, especially since governments provided 80 per cent of all funding across the education system. This inconsistent situation (that schools were failing and not governments) meant that state aid apologists had to focus on ‘outcomes’ rather than inputs or to scapegoat teachers individually or collectively as the proper ‘cause’ of the education ‘crisis’.

The rhetoric of pro-state-aid politicians played out in the media as a type of cultural attack on teachers. Their workplace culture was to be found lacking through the failure of some of their students. That workplace culture, of course, revolved around their uniformity as a workforce inserted into the school bureaucracy in a certain way. That workplace culture’s most conscious expression was through unionisation and attempts to influence government education policy. As the generators of ‘failure’, public school teachers’ professional status and their culture of unionism were to be disparaged by associating these with failing students, failing schools and a failing (public) school system. Unfortunately, this attack was to be launched through mass centralised testing ‘scientifically’ proving that some of their students were failures. The testing of working class students was to be the mechanism through which public school teachers were to be shown to be failures.

Two days after the HSC TER map was published, Herald Education Editor Mark Scott wrote an opinion piece declaring that, ‘while there will always be disadvantaged [sic], outcomes will never be equal and wealth will always count’, yet ‘a scattering of extra teachers and a few million dollars more are not going to address the chronic issues of educational disadvantage’ (Scott 1995b, p.15). Far from Scott arguing that considerably more teachers and millions more dollars should be directed towards disadvantaged schools, he was arguing the opposite case. Scott was seeking to apportion blame by removing questions over funding and special programs. Teachers and ‘weak’ governments that avoided market discipline became the scapegoats.
Scott’s scatter-gun analysis of educational problems, lurching from worrying about public school students (and implicitly teachers) not ‘stretching themselves or maximising their potential’ to ‘fairer outcomes from the education system must now be demanded’ (Scott 1995b, p.15), acted as a general criticism of the NSW Labor government’s education policy and reinforced the notion of ‘provider capture’ of the education system by teachers and their union. Scott’s broad critique appeared to give the government and the Teachers Federation no room to move in the media debate. It discounted calls for the augmentation of disadvantaged student programs, for more resources for the increased retention to Year Twelve, or for the provision of ‘soft’ courses to improve student morale. For Scott, unequal outcomes were a problem that teachers and governments had not adequately addressed, yet at the same time, ‘there will always be disadvantaged [sic], outcomes will never be equal and wealth will always count’.

Scott’s incoherent analysis was at least more honest than that of most supporters of state aid. He had mentioned the connection between socio-economic disadvantage and school failure. Pro-state-aiders tended to avoid any mention of the clear causes of test-based school failure and papered over broad swathes of inadequate analysis with notions of ‘choice’ and ‘quality’. Indeed, the incoherence of Scott’s analysis arose from the incompatibility of his causes (all centring on socio-economic inequality and private school selectivity) with their reified effects (unequal test results). He then used the latter to work back in his article not to the original causes as he found them, but to blaming teachers and government for avoiding education-based (rather than society-wide) solutions. Scott’s fetishisation of HSC results led him back to simplistic educational workplace solutions, like squeezing more work out of teachers, rather than social solutions. This fetishisation of testing and reification of the supposed social power of schooling ignored what were the real causes of educational inequality: socio-economic inequality and school selectivity. This was how test-based accountability worked its magic in shifting blame and real accountability.

Even the ‘balancing’ article in the same edition of the Herald, while lauding the ‘big increase in their average Tertiary Entrance Rank’ of public selective schools, tended to reinforce
notions of selectivity as a precursor for educational success. Selectivity was, of course, also the definitive prerogative of all private schools (Scott & Raethel 1995, p.1). Public schools had no room to manoeuvre in such a comprehensive critique – any special provision in public education was seen as tantamount to ‘market distortion’ or teacher ‘feather bedding’. Private (and public select) school discrimination and exclusion tended to be beyond comment and were never seen by governments, and most times by the media, as a particular and pernicious type of market distortion. This was because the real struggle over state aid, at least for governments, was about creating a free market in teachers’ labour power. No distortions were to operate in the labour market, but monopolistic distortions by governments of consumer ‘choice’ in educational provision and access seemed quite acceptable to the media.*

The *Herald*’s expose had the desired effect. It brought out some of the most reactionary common sense observations to explain the TER disparities. A letter to the *Herald* from Associate Professor G. J. McCarry in the Faculty of Law at Sydney University observed that the parents of high academic achievers lived in wealthier suburbs because ‘they were able to get into these better-paid occupations because they were fortunate enough to be born with better than average academic or intellectual skills.’ It followed that ‘biology being what it is, their children are also much more likely to have better than average intellectual or academic skills. Hence they can do better in the HSC.’ McCarry concluded that such students ‘chose their parents carefully’ (McCarry 1995, p.14). Whether this was obtuse sarcasm or not, the next day the genetic argument was put in more detail in a letter to the *Herald* by Brett Harrison of Hurstville. Harrison rejected Ros Brennan’s (President of the NSW Federation of Parents and Citizens Associations) comment in the *Herald* on 17 October that ‘intelligence is spread evenly’; a statement in itself that did little to move beyond the biology-as-destiny argument. Harrison approvingly referred to Richard Herrnstein and Charles Murray’s† *The Bell Curve*, the 1994 book Michael Apple (1999b) characterised as supporting ‘rightist

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* The 1995 Teachers Federation Annual Conference decision in reference to specialist and selective public schools noted that the ‘diversification of the secondary school system conducted by the previous government was driven by an antidemocratic ideology rather than educational principles.’ Further to this, ‘Federation rejects the appropriateness of the current entrance test to existing selective schools’ and the ‘establishment of [selective and specialist] schools had lead [sic] to the devaluation of comprehensive schools’ (NSWTF 1995, pp.15&16).

† Journalist John Pilger (1998) notes that the ‘theory’ of ‘welfare dependency’ originated with Charles Murray in the United States. Murray characterised welfare dependency as a moral failure by the ‘lower classes’. Pilger states that Murray is an ‘extreme right[-wing]…guru admired by Rupert Murdoch’ (p.87).
policies in education and the larger society’. Apple found its ‘claims about genetics and about the nature of intelligence...are at best shaky and at worst simply untenable’ (p.113).

Harrison (1995) wrote that

The facts are simple:
In our complex, high-technology, money-driven society, more intelligent people generally ‘do better’ – securing good jobs with larger salaries. Smart kids often become (relatively) rich adults. Rich, smart adults usually marry other rich, smart adults, and often produce rich, smart kids. These kids usually attend the ‘rich’ schools. As a result, rich schools do better in the HSC. Why should anybody be surprised by this?
The Australian obsession with everything always being equal is just silly. Are all ARL teams equal? Do they all, simultaneously, win the Winfield Cup? No, of course, they don't. And we don't expect them to.
Yet we expect all schools (and all facets of society) to produce students of equal ability! (p.14)

Harrison (1995) went on to propose a ‘fair’ but unequal education and criticised the TER as a ‘shonky, massaged, patently ridiculous number.’ ‘It is nothing more than a convenient administrative tool, and a very bad one at that’ (p.14). This was the epitome of the ‘common sense’ that state-aid-supporting politicians, journalists and other commentators could draw upon to legitimise, at least for some people, the increased provision of state aid and the differentiation of the curriculum into vocational and academic streams.

Here, common sense perceptions of ‘natural’ inequality were mixed with a populist notion of the oppressive, standardising and levelling character of bureaucratic government, exemplified by the centralising and standardising functions of the public education system. It was a combination of biological Darwinism, Social Darwinism and ‘small government’ populism. This was no different from the ideological basis of the Thatcher and Reagan reactions of the 1980s (Brosio 1993, p.3).

The irony was that while Harrison (and no doubt others) saw inequality as an inevitable and unimpeachable process unalterable by bureaucratic government, the fact was that the state aid lobby demanded from that same ‘bureaucratic’ government that resource inequality be encouraged, that private school selectivity be ignored and, ironically, that the same ‘bureaucratic’ government duly register and certify private school academic success. Thus, a
common sense notion of ‘natural’ inequality and fair play on a level playing field was transmogrified by governments and state aid apologists into its opposite of manufactured inequality and centralised certification and matriculation. Both rested on the proposition that inequality was inevitable and even desirable. However, since some of the same commentators also tended to feel that inequality in education was a problem, then an ideological covering explanation had to be used drawing on genetic inheritance, lack of competitiveness, low standards in the curriculum, poor teacher quality or whatever. The rhetorical position of the pro-state-aiders relied on most people’s ignorance of the processes of schooling, a minimal agenda of what was achievable for working class students within that schooling and a distortion of what influenced student outcomes. A lobby that depended so strongly on general ignorance was hardly to be trusted as an advocate for really raising the level of education of the population generally.

By 18 October, the press expose of HSC results led NSW Labor MLC Jan Burnswoods to include in a parliamentary speech a statement that referred to ‘the stories that have been appearing in the *Sydney Morning Herald* this week focusing on the tertiary entrance rank, the higher school certificate, and the performance of different schools and different students.’ Burnswoods found herself in the position of ‘understanding very well why the Hon. Neville Wran used to enjoy so much criticising the *Sydney Morning Herald.*’ The *Herald* articles would ‘make an enormous percentage of HSC candidates feel that instead of being confident and being able to concentrate on their studies and their examinations, they may as well give up if they live in certain parts of Sydney. I regard the articles as nothing short of disgraceful’ (Burnswoods 1995, p.49). It seemed that Burnswoods felt that people would see the *Herald* map as asserting that geographic location was destiny. As shown above, the accompanying *Herald* articles were more about finding a scapegoat for what was seen as a general malaise of ‘standards’ in the public school system. Burnswoods was not addressing this central point. She then sought to correct a fallacious geography-as-destiny argument by appealing to a simplistic and unhelpful notion of social class.

Burnswoods’ further analysis, while more sophisticated than that in *Herald* letters and articles, nevertheless made no clear connection between state aid, educational inequality and the
implications of these for intermediary representative organisations such as the Teachers Federation. Burnswoods (1995) continued:

The story, apart from being amazingly sloppy journalism, falls into the trap that the Sydney Morning Herald too often falls into: it purports to speak about schools, but it is in fact [not] talking about schools at all. As [NSW Labor Premier] Bob Carr said yesterday, the newspaper is talking about class.... The newspaper purports to do this by tying together a series of research findings based specifically on where students live by post codes and putting that on page 1, when the content of the paper focuses on a list of individual schools. (p.49)

Burnswoods made no criticism of the fact that without her Labor government insisting on the centralising and ranking of data collected from the HSC, then no media outlet could have published such a ranking of schools or areas as the Herald had. It could also be asked what the Labor government was doing about the social class inequality that Burnswoods found in the map of HSC results. 

Rather than address these more pertinent issues, Burnswoods (1995) questioned the Herald’s Education Editor’s, Mark Scott, pedigree and career:

Mark Scott is a fine one to talk. He is the son of the infamous Brian Scott†, who, seven years ago, assisted Terry Metherell [NSW Liberal Party Minister for School Education] to virtually destroy the public education system in New South Wales. Mark Scott, the son of Brian, was employed as a policy adviser to Terry Metherell. In fact, both Mark and Brian Scott were on the public payroll assisting Terry Metherell. One of the many scandals in that period in the Department of Education and Youth Affairs was that Mark Scott had been given a senior executive service grade 1 job that had not been advertised….. Mark Scott, who might be slightly brighter than Terry, saw the writing on the wall and went off to Harvard a short time before Terry Metherell’s un lamented departure from education. (p.49)

† Brian Scott was the author of the NSW Coalition government’s 1989 report, Schools Renewal: A Strategy to Revitalise Schools within the New South Wales Education System, which had as one of its aims to ‘Obtain the best value from expenditure on education by placing management emphasis on performance and outcomes’ (Scott 1989, p.4). The report had only one word highlighted: Brian Scott stressed in his foreword that ‘there is no proposal for additional funding’ for the implementation of his public education initiatives (p.2). The Teachers Federation’s 1995 Annual Conference summarised the Scott Report’s effects on schools in the following terms: ‘The Scott formula of centralisation of power and devolution of blame is a living fact for the public schools of New South Wales. As the Department implements the lingering requirements of the Scott Reports it spends more and more time demanding “accountability” for school and less and less providing support. Schools are searching for flexibility in the midst of a creeping bureaucratic nightmare’ (NSWTF 1995, p.70).
Burnswoods’ exposure of the close link between the former Coalition government, media interests and the state aid lobby could have been seen as a worrying signal for the efficacy of her government’s public school programs in the face of such an alliance. But it was ultimately doubtful that her government had much more interest in salvaging public schools than the former NSW Coalition government. The question of where power lay in determining the thrust of the state aid debate was not raised in a significant manner by Burnswoods.

Burnswoods (1995) then sought to explain some of the reasons for the unequal outcomes in the Herald’s published TER figures. She canvassed the idea that recent non-English speaking students in certain geographic areas could have skewed the results, and that ‘one of the things that has had a major impact on HSC results and, in turn, on the TER, has been the huge increase in retention rates which started under the former Labor Government, which has continued and which has completely changed the nature of the whole cohort sitting for the HSC every year’ (p.50). Burnswoods seemed to be uninformed about the fact that whatever the size or quality of the HSC ‘cohort’, the TER was always distributed on an unskewed normal curve. No greater proportion of students ‘failed’ the HSC in 1994 than in any previous year. The apparent geographic or socio-economic outcomes displayed by students in the various suburbs as mapped by the Herald were in fact due to the culture of the centralised ‘common’ curriculum in mass schooling failing students of certain backgrounds systematically (see Connell, et al. 1982; Teese 2000). Burnswoods was simply trying to explain away the residualisation of many public comprehensive high schools as reflected by their TER. * She had shot the messenger, in the form of Mark Scott, as partisan as his analysis was.

This partisanship Burnswoods (1995) saw as Scott attempting ‘to influence opinion from the pages of the Sydney Morning Herald.’ According to Burnswoods, his fundamental artifice was to use the argument of ‘choice’ in schooling. Burnswoods had correctly identified one of the ideological lynchpins of the state aid debate. ‘The mythology and rhetoric of choice are a neat way of diverting resources from one set of schools to another,’ Burnswoods opined, leading to

* By 2000, a Sydney Morning Herald article could declare in its headline, ‘Local high schools fall from HSC honour roll.’ ‘Local government high schools have virtually disappeared from the top ranks of HSC school performance, accounting for just four of the top 50 in the State’ (Noonan & Baird 2000b, p.1).
the loss of public education assets, such as Metherell’s closure of public primary schools at Balmoral, Castle Crag and Milsons Point (p.50). It was notable that Burnswoods, from the left faction of the Labor Party, could draw some of the links between the rhetoric of state aid supporters and its effect on perceptions of public schooling. However, Burnswoods’ solution to the malaise of public schooling seemed to be that the media should be silent about the compelling evidence collected and collated by her own government’s centralised test-based accountability process for schools. At best, Burnswoods hoped the media would do more research and publish real justifications for public school ‘failure’. Either way, Burnswoods did not countenance seriously a thorough critique of state aid and private school selectivity as skewing, at least in part, the geographic and school distribution of HSC results.

Burnswoods at least raised the hidden component of state aid, but did nothing to draw from it the complicity of her own government. Burnswoods’ deflected attack moved on to expose the duplicity of the *Herald* in a later article that obfuscated the issue of the non-means-tested transport subsidy, equally available to public and private school students:

Mark Scott has done little other than to encourage the rhetoric of choice. Anyone who looked carefully at the beat-up in the *Sydney Morning Herald* last week of the school transport issue would have seen the really sad story about a family in Lane Cove.... The article mentioned the child in the photograph was attending a private school a considerable distance from home. The article then quoted the father in the photograph as saying that he thought that the government’s changes would create some difficulties because they might cost children travelling to selective Government schools too much. It seemed the height of hypocrisy for a family living on the waterfront in Lane Cove and sending a child to a private school to be making comments about the likely cost of a hypothetical child travelling to a selective government school.* (Burnswoods 1995, p.49)

Again, her government’s complicity in promoting school ‘choice’ (and its attendant selectivity) by continuing the transport subsidy for private schools (and government schools) was overlooked by Burnswoods. The transport subsidy, appended to public school dezoning, underpinned the impetus for a type of school choice, which she had accused Mark Scott of artificially emphasising in his article, when the Labor government itself was continuing with these same policies that actually made school ‘choice’ something of a reality. This all passed Burnswoods by.

* There were actually no changes to the transport subsidy in the 1995 State Budget.
Public education and political point scoring were not politicians’ and the media’s only interest. Indeed, Burnswoods’ speech had passed by unremarked upon by the *Sydney Morning Herald*. Public education and the NSW Teachers Federation also had become important political and media fodder. The battle over image (one of the key fields of contestation for market-driven enrolments) had become increasingly apparent in the state aid struggle. The media were, of course, crucial in forming perceptions of school and school sector image. There was a heightening of media attention on schooling in 1996, especially during the salaries dispute between the Federation and the NSW government.

In February, the *Herald* published a two-page expose of the acrimonious falling-out between the Principal and staff at Lurnea High School. The *Herald* article made out that the embattled, but ‘effervescent, energetic’ Principal had cleaned up the ‘working class’ school’s problems of ‘vandalism, graffiti and some serious behavioural problems’ and was ‘applauded by the Education Department.’ However, ‘a clique of teachers had formed themselves into a power base’ within the school. They had questioned the Principal’s irregular appointment by the Department and her oppressive management style. Federation Organiser Gary Zadkovich’s intervention in the dispute ‘threatened to plunge the NSW public school system into chaos as the NSW Teachers’ Federation went head to head with the Education Minister, John Aquilina, and his departmental head, Ken Boston’ (Verrender & Raethel 1996, pp.29-30). This gross exaggeration was compounded in the article when no mention was made of the Department’s and Federation’s amicable solution of offering all staff the right to transfer from the school (the Principal moved to Moorefield Girls’) and by the suggestion in the article of staff-condoned homophobia expressed towards the lesbian Principal. Neither the heavy-handed intervention by Departmental officials in the school, nor the Principal’s verbal abuse and harassment of another lesbian member of staff, were covered in the article. The article merely reinforced the stereotype of uncooperative, ‘feather bedding’ teachers acting as a law-unto-themselves and supported by a retrograde teacher union. In other words, the general impression was that public schools had fallen from the control of the government.
Underneath the article was another entitled ‘Reforms are needed’ in which Ken Boston, Director General of the NSW Department of School Education, was quoted as saying that in the dispute ‘there was no commitment by the people involved to establish a workable relationship with the principal’ (Verrender & Raethel 1996, pp.29-30). And, perhaps serendipitously, below that was a large advertisement for the elite private St Andrew’s Cathedral School headed with the large slogan; ‘Teamwork: boys working together for now and the future.’ It could be assumed that the information about the dispute at Lurnea High had been fed to the media by the Department, perhaps as a tactical move in the salaries dispute then occurring with the Teachers Federation. While the Department and the Minister may not have wished originally to harm the image of public schools, as was shown by their reluctance to release HSC results to the *Sydney Morning Herald* in 1994-95, that they nevertheless could do so if it suited them was made clear to teachers and the union in the way the media covered the Lurnea High dispute.

An ABC TV *Four Corners* program in June canvassed the issues in the Lurnea High dispute. Again, no mention was made of the resolution based on the Department’s and Federation’s agreement. While the *Four Corners* program achieved more ‘balance’ by interviewing several teachers at the school, in total the media’s consideration of the events at Lurnea High was a gross beat-up that reinforced the public’s perception of government schools as sites of conflict and unwarranted union interference and resistance. In both media treatments, the Federation was portrayed as an interfering interloper and staff conflict was seen as damaging to public education and in the absence of such entrée for the media to private schools, such conflict only appeared to exist in public schools. Private schools had never suffered such intrusive investigation by journalists to that point in time, nor received such media space exposing their problems, especially over such a minor fracas.

Private schools certainly had their problems. The Wood Royal Commission into Police Corruption in NSW, established in April 1994, also became an arena of contestation between public and private schools. This time it was about the culpability of each system in child abuse. By 1995, the Royal Commission had transformed itself from an investigation of police corruption into one of paedophilia, leading to a number of charges of child sexual abuse.
against private school teachers. On May 7, the Chief Executive of the government’s Child Protection Agency, Neil Gould, told Royal Commissioner Justice Wood that private schools tended to use the ‘Bart Simpson’ defence, named after a television cartoon character: ‘deny everything, admit nothing, you can't prove it.’ Gould claimed this was because of the ‘financial fears of private schools and their insurers of being forced to pay damages to pupils who had been sexually abused.’ Commissioner Wood called this tactic ‘thoroughly immoral’.

According to Gould, government schools did not use the ‘Bart Simpson’ defence (Dale & Molitorisz 1996, p.28). Non-government schools in receipt of large amounts of government funding were secretive, minimally publicly accountable and minimised their liabilities while improving their image and market share. Private schools were able to avoid significant public and legal exposure and accountability to government. They could also avoid scrutiny through commercial-in-confidence processes.

Public schools could not escape such scrutiny. Director General of NSW School Education, Ken Boston, leapt to level the playing field. By September 1996, no public school teachers had faced the Wood Royal Commission to give evidence about paedophilia. Boston preempted the Commission by asking to be subpoenaed to give evidence. He presented a Departmental file of 160 incidents going back to 1966 and promised to reinvestigate all allegations. The Case Management Unit was immediately established as part of the Department and began to investigate both existing and former staff. Of the cases, 12 staff were ‘effectively dismissed,’ most well prior to the Royal Commission. It can be surmised from Boston’s precipitate action, that apart from covering his own credibility, there may have been some politically-motivated call for him to ‘level the playing field’ between the several serious abuse cases found by the Commission to have been committed by private school teachers and the absence of any such allegations against public school staff. Indeed, even with Boston’s revelations, only one significant case of sexual abuse was brought to prosecution against a serving public school teacher; the ‘Marching Koalas’ case (see McClymont 1998, pp.3&35). Boston's evidence merely acted to muddy the waters about the overwhelming evidence of serious child sexual abuse in private schools and seemed to imply that public schools were just as bad.
The Case Management Unit’s five-day-trained staff engaged in harassment of serving teachers and retired teachers over whom they had no jurisdiction. By late 1998, 59 teachers and 11 support staff had resigned or been dismissed under the provisions of the *Teaching Services Act*. By that time, 279 school staff were under investigation and, according to Departmental information, 46 were either facing criminal charges or were under investigation by the police or Department of Community Services. The Department did not show how many staff actually had been charged (Shadwick 1998).

The problem for the NSW Teachers Federation was how to respond to the harassment of staff by the CMU, yet not appear to be condoning child abuse (Lemaire 2000). Joan Lemaire, Federation Industrial Officer, reported to Federation Annual Conference in July 1998 that the CMU’s staff ‘are poorly trained, do not operate on principles of natural justice or take evidence in a proper fashion. They have trampled on teacher’s [sic] rights to privacy and have created trauma and stress for the teachers concerned, their families, and the schools in which they teach.’ Lemaire’s greatest concern was that if child protection investigations were carried out by an independent agency (unlike the CMU, which was a body within the Department) in the future, then teachers would not be able to seek redress for harassment in the Industrial Relations Commission, which they were able to access (Lemaire 1998, p.3). This was a further struggle over the nature and degree of accountability in public schools. Such an institutionalised degree of investigation of private school teachers’ behaviour in the heavy-handed style of the CMU barely existed*, yet Federation made little media capital from the gulf between child welfare provision and procedures in public and private schools.

The increase in state aid and other government actions designed to increase the drift to private schools had become acute enough for the debate to reach the highest levels of the Federal bureaucracy. In May 1996, a comprehensive attack on increasing state aid was made by the chair of the Commonwealth Schools Council, Ann Morrow. A form of this national advisory

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* In September 2000, the chief commissioner of the NSW Industrial Relations Commission (IRC) allowed a teacher convicted of six sexual offences against a female student aged between 10 and 16 to continue teaching in an elite private Sydney boys’ school. The school was aware of the offences. He had previously been dismissed by the Department when the offences were revealed. Bev Baker, President of the Federation of P&Cs, was reported to have commented on the case, ‘it appeared some private schools were more interested in protecting their reputation by suppressing the name of their school [in the IRC proceedings] than in guaranteeing the safety of children’ (Cornford & Jacobsen 2000, p.4).
body, the Schools Commission, had been established by the Whitlam Labor government in 1973; had been relieved of much of its duties in October 1987 by the Hawke Labor government (Dudley & Vidovich 1995, p.97); and was slated for abolition by the Howard government in June 1996. The announcement of the Council’s proposed abolition probably precipitated Morrow’s attack. Morrow released figures, to be reiterated at an Australian Council of Social Services and Brotherhood of St Laurence joint conference (‘National Summit on the Future of Work’) that government funding to private schools had increased by 30 per cent in the previous five years, while public school funding had increased by only nine per cent. Morrow’s key point was that ‘it is only by looking objectively at the trends in Government expenditure that we can understand why our State schools appear to be in decline compared to non-Government schools.’ In the broader context, Morrow lamented that ‘in spite of their big government subsidies, private schools were not required to serve the interests of the nation as a whole.’ She was concerned about what this meant for ‘social cohesion’ (Horin 1996, p.3).

As a departing statement from the head of what had been the Schools Commission, the establishment of which the Federation had fought for from the late 1950s, this was the baseline argument propounded by most anti-state-aid commentators: that local comprehensive co-educational public schooling went some way towards achieving social harmony. This position perhaps arose from a certain ideological reading of the activities of the welfare state: that direct state intervention, not least through public schooling, would be used to regulate the social and cultural development of the working class to ensure ‘social harmony’. There had not so much been a retreat by governments from the centrepiece of this policy, that is, using publicly-funded institutions for social control, but there had been a significant shift in the way

* Jean Ely’s (1978) historical reading of the motivation for the expansion of schooling in Australia sets it as a site of a type of class struggle. Ely (1978), following Katz (1968), rejects the liberal analysis of the expansion of popular schooling that it was an ‘aspect of the process of democratization’ (p.5). She feels that ‘Ministers and departmental officials were forced to take account, within the limits of financial resources allocated to them, of both the aspirations of the socially mobile and the expectations of the elite with respect to the “lesser” orders’ (p.4). The social elite was concerned to use mass schooling through bureaucratic processes for the ‘social control of the lower orders…in an industrializing and urbanizing society’ (p.5). This schooling was to be used to ‘foster a literate, tractable and industrious citizenry’ (p.6). On the other hand, and simultaneously, a ‘much larger, amorphous, and perhaps more powerful group was constituted by the diverse middle classes shading off into the upwardly socially mobile. These wished to secure literacy and opportunity for their children.’ The connection between the two social struggles around schooling, and subordinating the ‘middle classes’ to the elites, was that ‘if these opportunities were made available, [the middle classes] were not averse to children becoming literate, tractable, and industrious’ (p.6).
that policy would be implemented and prosecuted – increasingly by private government-contracted institutions rather than public ones. This indicated that there had been some change in and perhaps intensification of the social and political imperatives of the state. This intensification could be read as being an increase in surveillance as part of a more authoritarian management regime, on the one hand, or an abrogation of surveillance, on the other. It increased the range of responses that governments could undertake at any one time. Such a management regime had always sat at the centre of the bureaucratic functioning of the education department, but greater fiscal and economic instability meant that increasing the opportunities for direct intervention was now the priority.*

In this climate, the Teachers Federation released a comprehensive comparative table of education outlays as a percentage of total State outlays around Australia that showed that total schools funding in NSW had stagnated at around 25 per cent of Budget outlays between 1990 and 1997. To add to this situation of educational parsimony, ‘NSW has the best underlying budgetary position of any state.’ Yet, ‘NSW has fallen from being the equal second highest spender on education as a percentage of total Budget outlays (1990-1991) to the lowest (1995-96)’ (Malcolm 1996, p.2). In per capita dollar terms, the average recurrent spending for each public school student in NSW in 1996-97 was $3,677 for primary, $5,301 for junior secondary and $6,981 for senior secondary. The overall average was $5,282 (Council on the Cost of Government 1998). These types of averaged figures were part of the problem in the state aid debate. They were difficult to compare with private school costs because the types of provision of education services were in part quite different between the two sectors. As averages for the public system they hid the more expensive provision of special needs education and they did not include spending on capital works. To the extent that the anti-state-aid lobby could limit discussion to recurrent figures, then the implacable progress the private schools achieved under growing Federal recurrent state aid could be made to seem most

* Smyth and Shacklock (1998) qualify this: ‘Most noticeably, there has been a dramatic shift of the boundaries of control, from direct, overt and bureaucratic forms of surveillance, to more covert forms that take expression in the way work is restructured’ (p.17). The argument above and subsequently suggests that both are proceeding in NSW public schools, but that bureaucratic control underpins the intensification of teachers’ work. At a later point, Smyth and Shacklock suggest more pointedly, ‘Reality, of course, is that the work of teaching is increasingly routinised and proletarianised as teachers are subjected to the discourses as well as the practices of managerialism – tighter control by outsiders, better forms of accountability, more sophisticated surveillance of outcomes, and greater reliance on measures of competence and
1995 to 1997

unfair. But capital works in public schools were generally still completely funded by government and only partially subsidised in private schools. However, private school supporters seemed reluctant to raise the capital works issue. This was possibly because public revelation of the considerable amount of finance that some wealthy private schools could raise for capital works may have been feared to add fuel to the anti-state-aid fire. It took another 12 months before the Federation began to explicitly raise questions about capital works subsidies to private schools.

On 29 August 1996, the Federation accepted the Department’s salary offer made on 27 August, contingent on Council and SkyChannel meetings in September. The final offer gave teachers a cumulative increase in salary of nearly 17 per cent over three years (Boston 1996; Fitzgerald 1996), somewhat better than other public sector results at the time. However, with the settlement of the later salaries dispute in 2001, the actual term of the increase had been four years. Nevertheless, and despite the level of acrimony reached between the Teachers Federation and the Department over salaries, such a salary increase showed something of the strategic abilities and constraints operating in their relationship. Federation’s membership had some strategic power as a highly-unionised and highly-organised workforce and their industrial action could eventually be quite effective in reducing the Department’s ability to operate fully functioning schools. For the Department, it could also have been the case that because public schools formed the central strategic role of regulating a large proportion of the population, salaries had to be maintained at some sort of reasonable and comparable level so as not to cause a wholesale collapse of the public school teacher labour market. It may have been felt by governments that in the event of a serious teacher shortage school teachers and parents could become increasingly mutinous. This also indicated that the rapid wholesale sell-off or contracting-out to private providers of public schools was probably not on any government’s agenda.

The Federation saw the August 1996 Federal Budget as a serious blow to public schools. Industrial Officer Denise Fairservice echoed a line from Labor Senator Bob McMullan that

performance’ (p.20). The practices that Smyth and Shacklock indicate here seem to be the epitome of bureaucratic administration: clearly-defined and quantifiable goals imposed in an arbitrary manner.
‘The Federal Budget will create a two-tiered education system by cutting funds to government schools while increasing funds to non-government schools’. The apparent 5.7 per cent funding increase for public schools had been created by ‘using the actual expenditure from 1995-96 as the base rather than the forward estimate. In 1995-96 there was an under expenditure of $43.8 million. This makes the percentage increase look much better.’ According to Fairservice, the financial skulduggery actually meant a real reduction in funding to public schools. Funding for the establishment of new private schools was to increase by $150 million (Fairservice 1996, p.4). This increase was in part to be paid for by a cost recovery process to be known as the Enrolment Benchmark Adjustment (EBA). The EBA’s recouping of funds from States’ grants was justified as offsetting the projected increase in Commonwealth private school expenditure consequent on the abolition of the New Schools Policy (Ireland & McIntosh 1996, p.2). It was projected to recoup $129 million from public school enrolment deterioration. This figure was calculated on the recovery of 50 per cent of Commonwealth per capita funds provided to States when a student shifted to a private school (Fairservice 1996, p.4). As later became clear when the ‘States Grants Bill’ was introduced into parliament in October 1996, it did this on the basis of overall proportional differences between public and private enrolments, making no allowance for absolute increases in the numbers of students in public schools.

In the light of the further deterioration in Federal public education funding, staff journalist Michelle Edwards in the same edition of Education showed the increasingly outspoken alliance against state aid that had begun to form between public teacher unions, the Parents and Citizens Associations, and, more tentatively, some political parties. Sharan Burrow, President of the Australian Education Union and former Teachers Federation Senior Vice President, accused the government of abandoning ‘free education’, whatever that may have meant in the context. Ros Brennan, President of the NSW Federation of Parents and Citizens Associations, saw it as evidence of the government’s ‘sickening indifference to public school systems’. ‘According to research conducted by the P&C, Australian governments fund private school education at the highest level in the developed world yet fund public schools at the lowest.’ Senator Lyn Allison, education spokesperson for the Australian Democrats, also weighed in lamely with the comment: ‘I think both major parties abandoned the idea of free education some time ago.’ She said that the Democrats supported ‘the concept of a public
school in every community.’ NSW Labor Minister for Education, John Aquilina, was said to have described the EBA as a ‘fraud’ and that the Federal government’s actions had the ‘potential to re-open the state aid debate of the sixties.’ Edwards nevertheless pointed out that ‘between 1976 and 1993, 10 years of which were under a [Federal] Labor government, non-government schools’ share of federal funding increased by 190 per cent while the share going to public schools increased by only 28 per cent’ (Edwards 1996, p.4).

The tentative agreement reached by this alliance perhaps was due to the heightened level of disparaging of public schools in Coalition rhetoric and their more-or-less blatant proposal to reduce funding to public schools through the EBA. While state aid flows were headed in the same direction under Labor and Coalition governments, the Labor government to that point had never indulged in the extreme, divisive and concerted rhetoric against public schools and their teachers that accompanied the Federal Coalition government’s actions. The major difference between the ‘two sides of politics’ in the state aid struggle seemed to be that the trend in the state aid strategy would be accelerated by the Coalition using both a combination of state aid and derision of the public system drawn from its failure at centralised tests. Labor tended not to make such explicit links between the two elements, perhaps because the largely Labor-voting clientele of public schools may have felt that they themselves were being criticised.

The Federal Budget carried the news that the Coalition government would immediately abolish the former Labor government’s New Schools Policy. The New Schools Policy was ostensibly instituted to allow some Commonwealth planning of educational provision, but had the effect of limiting the rate of increase of new private schools and the consequent establishment funding provided by the Commonwealth. The policy set minimum enrolment levels (50 students for a primary school, 25 for each junior secondary Year) and had made new private schools prove they would have no impact on local public school enrolments before they were granted Federal establishment funding. The 1996 Budget proposed that school registration for Federal funding be devolved to the States and Territories. Their registration criteria tended to be less stringent than the previous Federal requirements. Dr David Kemp, Federal Liberal Party Minister for Schools, Vocational Education and Training,
in abolishing the policy said that Labor’s New Schools Policy guidelines were discriminatory and restricted the right of parents to choose a school for their children (Garcia 1997a, p.B4).

Kemp’s jettisoning of the New Schools Policy led Labor Senator Bob McMullan to comment that there would be a ‘proliferation of and an almost certainly increased proportion of funding going to private schools, with less efficient provision and distribution of education and educational resources’ (Edwards 1996, p.4). Indeed, in the year following the abolition of the New Schools Policy (1997) 105 new private schools across Australia were approved for establishment funding, when the average annual number had been 36 between 1994 and 1996 (Molesworth 1998, p.38 table 1). The Federal government’s devolution of school registration to the States and Territories meant that a variety of less stringent methods would be used across Australia to approve the establishment of new private schools which, upon registration, would receive ongoing State and Federal funding. It was one of the few actual deregulatory processes to be used in the state aid struggle. The workplace regulation of all schools through centrally-determined curricula was never formally challenged.

The procedures for the approval and registration of new (and existing) private schools in NSW were considerably weaker than the New Schools Policy. The *NSW Education Act 1990* made registration of private schools dependent on recommendation from a committee of the Board of Studies. The Registration and Accreditation of Non-Government Schools Committee was established in July 1990 after the first meeting of the newly-created Board of Studies. By August the membership of the Committee had been determined by the Minister, comprising the President of the Board of Studies, a Board member from the Association of Independent Schools (representing the elite private schools), and four other Board members, originally comprising such people as the arch-conservative Dame Leonie Kramer, and five non-Board members.

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* The *NSW Education Act* was originally drafted and promulgated by the former NSW Coalition government as the *Education Reform Act* in deference to the British Thatcherite Act of 1988 of the same name, and only superficially amended by the NSW Labor government in 1996 and 1998.

† Kramer was Chancellor of the University of Sydney, a member of the boards of a number of leading companies, and Senior Fellow in the Education Policy Unit of the Institute of Public Affairs (IPA), the right-wing think tank with which David Kemp was associated. Some of her ideas were typical of those of the New Right in Australia. At an IPA conference at Sydney University in September 1993, Kramer argued against the Federal Labor government’s national curriculum initiative. ‘It is not necessary to have a national curriculum in order to have national testing. All that is necessary is to have some agreement about what students need to know and be able to do at various stages of their development. There would then be a common core to school studies, which would form the basis for testing at whatever levels seem appropriate.’
members. By September 1994, the Committee included non-Board members from the Catholic Education Commission, the Independent Education Union, Christian Parent Controlled Schools Ltd, and the Association of Independent Schools (their Board position having been devolved to the non-Board delegation, and the President of the Committee becoming a representative of the Catholic Education Commission). The Teachers Federation and the Federation of P&Cs also sought and were given Committee positions. Public education interests in the Committee were weighted five to two against, with a Ministerial and a Departmental appointee making up the remainder. The Committee originally was to make recommendation for the registration of private schools to the Board, but following a Board decision of 3 November 1998, such recommendation was to be made directly to the Minister. It was the Committee which arranged the random or otherwise inspections of private schools and could cancel accreditation (NSW BOS 2001).

In terms of the *Education Act 1990* the legislative requirements for registering and accrediting private schools were rather minimal compared with the intensifying accountability requirements for public schools. Registered private schools were to provide a Board-of-Studies-determined minimum curriculum and employ teaching staff ‘with the necessary experience or qualifications (or who are regularly supervised by teaching staff with the necessary experience or qualifications)’ (NSW Parliament 1998, p.30). In other words, private schools could have completely uncredentialled staff in certain schools and still be registered. The school had to have ‘adequate’ teaching facilities and ‘satisfactory’ premises. Private schools were not to have policies that permitted corporal punishment, in line with public

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Kramer significantly heralded here the way that the Federal Coalition government’s Education Minister Kemp would later drive curriculum change across Australia. Testing would drive change ‘about what students need to know’ – which is, in fact, what a curriculum in large part is. This disingenuousness was accompanied by the usual conservative concern to stifle teacher autonomy: ‘Is it really part of your job [to her teacher audience] to encourage your students to take action? I believe that to do so is [to] distort the objectives and nature of learning’. Kramer also expressed the almost irrational fear that conservatives had of the power of teachers to influence students: ‘The weight of your authority is such that you will influence malleable minds to a degree very difficult to measure. It is therefore essential to minimize your capacity to shape opinion’ (Kramer 1993, pp.17&21). This paranoia about the power and radicalism of teachers was the defining feature that Denis Lawton found characterised conservative ideas of teachers and public schooling (see Lawton 1994).

* The lack of effectiveness of the Federation of P&Cs’ or Federation’s representation on Board of Studies committees was exemplified in June 1999. The Board Curriculum Committee endorsed over 25 new HSC syllabuses in a meeting lasting just 150 minutes over the objections of its teacher union and parent representatives – supported by several subject-based teacher professional associations. The Board Curriculum Committee’s majority of Ministerial, Board of Studies and Departmental appointees ignored concerns about the unsuitability of the new syllabuses for their intended candidature and their rushed implementation without adequate resourcing for public schools to meet the new syllabuses’ requirements (Deacon & Fogarty 1999, pp.1-4).
school policy (p.31). The Board of Studies, possibly after an inspection, would then recommend registration for an initial two years (p.33). Established schools could be re-registered for up to six years (p.35). Inspections subsequently would be ‘at random’ or ‘if the Board has reason to believe that the requirements for registration are not being complied with at the school’ (p.33). As this summary makes clear, the barriers to private school registration in NSW were slight. There was no minimum size of enrolment for private school registration (pp.30-35). Labor’s outrage at the Federal Coalition government’s abolition of the New Schools Policy seemed rather disingenuous considering that no move was made by the NSW Labor government to change its legislation to be more in line with the former Commonwealth New Schools Policy.

Journalists seemed to have broadened their interest in all aspects of public education, with a *Sydney Morning Herald* article about State selective schools declaring: ‘Demand soars for places in elite schools.’ Numbers of such public selective schools had grown in NSW from five in 1988 to 19 in 1996. Their greatest growth had been under the NSW Coalition government from 1988 to 1995. Coalition and Labor governments saw selective and specialist schools as a way for public schools to ‘compete’ with private schools for enrolment share by mimicking private schools, the basis of which was selectivity. Selective schools also had the effect of reducing and fragmenting community demands around the adequate resourcing of local comprehensive public schools: they offered an escape route for ‘aspirational’ parents and students from ‘failing’ educational sites. However, even public school selectivity had reached its capacity as an educational panacea. The article noted that enrolment demand was highly variable between selective schools, for example, James Ruse Agricultural High had 1,211 applications for 120 places, while Normanhurst Boys’ had 261 for 120 places. Similarly, the article noted, in contradiction with its title, that ‘after a big increase in demand for places in selective schools in the early 1990s, when more than 20,000 students sat the [entrance] test, the number of applicants has remained steady [at about 15,000] in recent years’* (Raethel 1996, p.5). These figures confused the number sitting the selective schools entrance examination with the much smaller number who applied for places in those schools.

* In 1997, about 15,600 students applied for the 3,000 places in NSW selective schools. Denis Fitzgerald, Teachers Federation President, claimed that ‘governments [have moved] to break up comprehensive education’ (Raethel 1997h, p.3).
Education ran an article in November 1996 calling on selected public figures to make their case for public education. NSW Labor MLC Meredith Burgmann commented on the degree of her government’s commitment to public education, ‘In a caucus of 67 a mere handful have their children at state schools. There is not within the Labor Caucus a large or influential group of parents or former parents who are totally devoted to the state school sector’ (Burgmann 1996, p.5). Indeed, Education Minister Aquilina had his children in the Catholic school system.

An interesting sidelight to state aid was the benign local government treatment of private schools. The elite Cranbrook School, in Sydney’s Eastern Suburbs, former school of Australia’s richest man, Kerry Packer, had gained approval from Woollahra Council to lease three hectares of the public Woollahra Park for 21 years at $15,000 per year. Cranbrook would also upgrade sporting facilities in the park after the Council declared that it could not afford to. Such a deal would have been attractive to the Council because Cranbrook, in common with all private schools, paid no council rates on its school site and this would have given the Council some revenue flow from a previously untouchable source (Education 9-12-1996, p.6). It also showed the considerable amount of income on which a school like Cranbrook could draw. Cranbrook received $1,057,654.62 in government recurrent funding in 1996.

After the breakthrough by the Herald in publishing HSC results in 1995, more detailed tables of the 1996 results were published in early 1997, one showing the proportion of the top 5,000 candidates in particular schools. The top three schools were government selective schools located on Sydney’s North Shore and in the Inner City, followed by five private schools. Two other government selective schools made the list. Ascham Girls’ in the Eastern Suburbs, the most expensive private school in Sydney at that time and receiving $836,246 in state aid in 1996, came fourth, but with 56.63 per cent of its students being in the top 5,000. This was a rather pallid effort in comparison with the top government school, James Ruse Agricultural High, which had 83.55 per cent of its students in the top 5,000 (Raethel 1997a, p.1; Raethel 1997b, p.8). In terms of academic selectivity, government schools played the game far better than the privates. But as the Sydney Morning Herald had shown, selectivity, largely
unremarked upon by most education commentators, was an important drawcard for some parents in choosing schools. This apparently unexceptional and unremarkable aspect of school systems was, in fact, the crucial process private schools used to maintain their apparent ‘quality’.

The *Herald* also gave a breakdown of the performance in the HSC by school type. The mean TER score across all schools was 50.80 (out of a maximum of 100), as would be expected on the standardised normal curve used by the Board of Studies. However, government comprehensive co-educational schools (generally non-selective) achieved a mean TER of only 43, while government selectives achieved a mean of 80.45, showing the stark academic inequality in the public school sector created by government commitment to selectivity. The elite private ‘Independent’ schools achieved a mean TER of 70.55. While significantly lower than the government selective schools, it nevertheless emphasised the academic and cultural selectivity practiced by the elite schools. Catholic systemic schools, the vast bulk of Catholic schools and, indeed, catering for the majority of all private school enrolments (about 70 per cent), on the other hand, achieved an average TER of 50.35 (Raethel 1997b, p.9). This showed that Catholic schools tended to cater for a working class clientele similar to most government schools, while government selectives and elite private schools tended to cater for the academically, culturally and socio-economically most able and advantaged students. Even within the Catholic schools, there was an almost ten point TER differential between the systemics and the Catholic ‘independents’. The Catholics had their elites as well.

The TER fetishism reached extraordinary levels with the *Daily Telegraph*’s publishing on its front page of 8 January 1997 a photograph of Mt Druitt High School’s Year 12 class with the headline ‘The class we failed’. The accompanying article commented on the students’ low TERs and noted that such results ‘reflected a two-tiered schooling system that has failed its most disadvantaged.’ The students were expected to have ‘severely limited’ futures. The newspaper noted that 19 students ‘did not even bother’ to apply for a TER (Clark 1997, p.8).

* In 2000, a commentator in the *Canberra Times* wrote, ‘Having been educated in a badly-equipped and grass-less Catholic school, I cannot forget the elitism that pervades the Catholic hierarchy. It supports more funding to those that have the most because its own elite schools have an agenda to educate future lawyers and other professionals who may be able to advance the Church’s cause in places of power…. The elite schools have more in common with each other than with schools of the same religion’ (Anonymous 2000, p.9).
In fact, those students had taken the vocational options within the HSC which prevented their receipt of a TER – but the journalist had equated vocationalism with ‘failure’.

The Mt Druitt High students launched a defamation action against Rupert Murdoch’s Nationwide News* and the Teachers Federation complained about the students’ treatment to the Press Council in February 1997. The Press Council dismissed the complaint, arguing that the students’ privacy had not been invaded and that the article should be commended for ‘reporting on inequities in the education system’. In September 1997, the Federation issued a statement saying that it was ‘appalled’ that the Telegraph story had been nominated for a Walkley Award for excellence in journalism and noted that the selection panel included the Telegraph’s editor, Col Allan, and merchant banker and Liberal Party stalwart Malcolm Turnbull† (Clark 1997, p.8). The media treatment of the Mt Druitt case, its long delay in the courts – Col Allan was quoted as saying that the Telegraph would defend the matter vigorously and that the students’ case would not succeed – and the Telegraph’s support by the Press Council and the Walkley selection panel showed that test-based accountability through the TER and its attendant school ‘failure’ had become important front-page news and more general media fodder and was seen by the leading shapers of the media as entirely defensible. The simplifying of the debate around standards as defined and driven by politicians like David Kemp and accepted with few questions by journalists and public commentators had achieved precisely what the proponents of state aid had wanted: a simplistic, diversionary and socially-divisive means of setting a debate around schooling that eschewed any focus on school funding and, especially, state aid and levelled considerable public anxiety about social anomie at public schools. More precisely, it levelled a certain aspect of that anxiety at public school teachers.

In January 1997, Peter Baldwin, Labor Shadow Minister for Education and Youth Affairs, raised the question of the real level of funding to public and private schools under the Federal

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* The case went to appeal by Nationwide News in October 1998 and was finally settled in the students’ favour in 2000 (Antrum 1998, p.6; Education 2000, p.2).

† Turnbull, as chairperson of the Liberal Party’s Menzies Research Centre, was behind the publication of Australia’s Education Choices (2002) written by Brian Caldwell of Melbourne University and John Roskam, director of the Menzies Research Centre. Turnbull commented on the findings of the report (which endorsed a school voucher system), ‘only the Liberal Party without the vested interest of the Teachers Federation can drive it’ (Grattan 2002, p.1).
Coalition government in a letter to the *Australian Financial Review*. Baldwin wrote that DETYA’s own figures ‘show that, in real terms, Commonwealth funding per government school student is expected to fall by about 5.5 per cent between 1996 and 2000, and for each non-government student will rise by more than 2 per cent.’ The increases in funding to public schools that Minister Kemp announced largely ‘reflects no more than adjustments to grants to take account of inflation, enrolment and population changes.’ The government’s inaccurate figures included, according to Baldwin, a miscalculation of financial assistance grants to the States and the inclusion of previously separate road funding. Concluding, Baldwin gave an unambiguous insight into Kemp’s priorities:

> Dr Kemp states that the Government does not favour one sector over another. However, as shadow Minister in 1991, Dr Kemp candidly expressed the Coalition’s views on this matter in a meeting of the then Opposition’s expenditure review committee. A leaked copy of the minutes of that meeting refers to Dr Kemp in the following quote:
> ‘He noted that the Coalition sought to encourage students to move from government to non-government schools.’
> The Howard Government’s actions show that this policy remains firmly in place. (Baldwin 1997, p.18)

Unfortunately, such candid admission was never made publicly by Kemp as Minister for Education. Instead, he used diversionary motifs, such as ‘quality’ and ‘choice’, as broad ideological markers in his public statements that could be read as ‘motherhood’ statements by the uninitiated, or as code for those in the know pointing towards the marginalising of public schools.

Perhaps because the *Australian Financial Review* was writing for a more economically- and politically-informed readership, it could be candid about some of the key reasons for and problems of state aid. The *Review* editorialised:

> This process will eventually transfer some of the cost of school education from the public purse to individual families…. [T]he Government’s contribution will fall proportionately.
> In the short term, however, the process will entail a costly duplication by the private sector of investment in teaching and administrative staff and infrastructure, such as buildings and libraries, which already exist in the public sector. (*Australian Financial Review* 1997, p.12)
The seeming incoherence and fiscal waste of the government’s state aid policy was apparent to the commentator. Nevertheless, the editorial seemed at a loss to explain the government’s rationale for such a wasteful duplication. However, had the policy been placed in the context of a long-term industrial relations strategy, then the implications of the state aid strategy may have been clearer.

The question of the accountability of public schools and how this was to be calculated and publicised became a serious issue for the Federation in early 1997. Of course, the lack of accountability for private schools except in HSC rankings, which had only become public in 1995 due to the *Sydney Morning Herald*’s tenacity, meant that any publicity about or ranking of public schools would only increase scrutiny to the detriment of some schools. Public school ‘accountability’ was to be a political and media ‘football’, while government-funded private schools escaped the scrutiny of the centrally-determined and centrally-administered paper-and-pencil tests of literacy and numeracy.

The highest level of government intensified its focus on literacy as a standardising currency for the education ‘market’ and as an accountability mechanism for public schools. In June 1996, four months after the election, David Kemp as Minister for Schools, Vocational Education and Training announced that the ‘literacy skills of young people would be a central policy objective of the government.’ Reading, writing and spelling were to be set by national benchmarks calibrated to an ‘appropriate level’ (which, of course, meant an arbitrary measure), defined in October 1998 by the Ministerial Council on Employment, Education, Training and Youth Affairs (MCEETYA – the meeting of all State and Territory Education Ministers and the Federal Minister) (Harrington & McDonald 1999, pp.1-2).

In a speech at the Australian College of Education Conference on 21 June 1996, Kemp explicitly linked literacy competency with youth unemployment. Literacy was ‘the essential key we must give our students with which to unlock their, and Australia’s future’ (Kemp 1996, quoted in Harrington & McDonald 1999, p.1). ‘Literacy’ was a useful ideological marker for Kemp: who could disagree that young people should be literate and common sense seemed to link language skills and employment. ‘Literacy’ could also draw attention away
from education inputs by focusing on curriculum and pedagogy and act as a blanketing and simplistic measure of accountability. At the same time, any literacy inadequacy found through the use of arbitrary benchmarks could be used to disparage teachers and public schools – where the literacy and numeracy tests were to be imposed and where, of course, literacy ‘failure’ would be found.* Apart from state aid, this policy of disparaging public schools through a supposed objective and scientific measure was to be a key tactic for the Coalition government in encouraging students to move from government to non-government schools.†

The NSW Coalition government in 1989 had introduced the new centralised accountability mechanism of the Basic Skills Test (BST). This tested student literacy and numeracy at Years 3 and 5 and was criterion referenced. The testing was originally controlled by the Australian Council of Educational Research, but had passed to the Board of Studies. The Education Act 1990 formally enacted the tests and made clear that they were specifically for government schools. As for private schools, ‘The Minister may, at the request of a non-government school, arrange for the conduct of basic skills testing in the school’ (NSW Parliament 1998, p.12). Only in the very late 1990s did some private schools request the test, and then without necessarily disclosing the results to the Board of Studies.

The Teachers Federation was most concerned with the interpretation put on the disclosure rules for the BST results. The Education Act 1990 stated that ‘the privacy of students and the potentially adverse effects of any inappropriate public disclosure of the results’ were the first concern in the use of test results. However, the Act also allowed for ‘the Minister to report to Parliament detailed information about the results’ and ‘analysis of the effectiveness of all categories of schools’. More worryingly, ‘A report must be made each year on the results of the previous calendar year. The information provided should allow a valid comparison to be

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* ‘Literacy’ also acted as an ideological cover for producing a compliant workforce. ‘A clear indication is that employers’ opinions of new employees are often expressed in terms of their ability to spell – which is a technical requirement of almost no entry-level job in the economy. This point has acquired, however, a symbolic meaning of diligence, orderliness, and obedience to rules. If employers collectively impose this definition of the capacity to labour on schools, they have won a certain victory in establishing their cultural power over the workplace’ (Connell 1995, quoted in Smyth & Shacklock 1998, p.37).

† In 2000, veteran press commentator Kenneth Davidson wrote, ‘Kemp pretends to be concerned about such levels [of literacy] in government schools. But in reality he uses these levels to stigmatise government schools and so encourage a stampede by the remaining middle class into private education’ (Davidson 2000, p.17).
made of standards from year to year’ (NSW Parliament 1998, pp.12-13). To the Federation, the potential contradiction was obvious between the privacy provisions and parliamentary disclosure and comparison of results. The Department had also issued a document towards the end of 1996 called *School Accountability and Improvement in NSW Public Schools*. The regulations in the document reiterated the privacy provisions of the Act more precisely; that only the child, the child’s parents and the school Principal could access the results. The regulations continued: ‘The results of basic skills testing must not be publicly revealed in a way that ranks or otherwise compares the results of particular schools’ (Simpson 1997, p.5).

In late 1996, Minister Aquilina brought the issue to a head in the press in an article entitled ‘Report cards for the State’s schools’. Aquilina had released ‘value added’ data that listed and ranked the 25 ‘best’ public high schools and primary schools in NSW. The data were obtained by using the BST results as a baseline and then comparing ‘improvement’ with School Certificate and HSC results for the same group of students. Precise details of the formula used were not revealed. This release of data ranking public schools that partly included BST results appeared to contravene the Departmental requirements promulgated earlier in 1996. The Federation’s objection, according to Research Officer Pat Simpson in *Education*, was ‘not the nature and construction of the tests...but the use of the data’, although Simpson had already criticised the BSTs as not ‘acceptable as a form of mass testing as they test a narrow band of skills in a snapshot fashion. Nor do they fulfil the claim that they are diagnostic in purpose. They were, and still are, a politician’s answer to political accountability of a school system.’ Simpson noted that, after the establishment of the BST, Ministers for Education endeavoured to find some use for the data. This would seem to be a rather complete criticism of all aspects of the BST, regardless of Simpson’s claim that the main issue was function over form (Simpson 1997, p.5). This revealed a tension between some Federation officers who questioned the validity of the BST as against other officers’ acceptance of the need to have some type of accountability process for teachers.

Sue Simpson, Federation Deputy President (in her position as Acting President), was publicly critical of the link between the BST results and the Annual School Reports. These reports were to be a public accountability statement to be drafted by school Principals and issued to all
parents. They had been announced in late 1996, to begin in 1997, but their implementation had not been negotiated with the Federation. Simpson’s fear was that school BST results could be made public through this process. ‘With annual school reports being placed on the Internet, the Federation fears that individual students, schools and their communities could be labelled unfairly.... What is at dispute is how to ensure our young people are not labelled winners or losers, either as individuals or as particular groups of students and, in particular, types of schools’ (Ellis 1997, p.6). This broadened the extent of concern that the Federation had with the publishing of school results based on centralised tests.

Following March Council, and reconformed unanimously at the July Annual Conference, Federation banned the holding of the BST in 1997 (Simpson 1997, p.5). On July 23, the Department took the dispute to the NSW Industrial Relations Commission which ordered the ban lifted. For eight days the Federation ignored the order. However, Federation Executive voted on August 1, five days before the BST was to be held, to proceed with the tests, because they had reached an agreement with the Department. The agreement was that BST results would not be published and schools would not be ranked according to results. However, the agreement had some contradiction in it. Schools could make public through the Annual School Reports comparison between their BST results and the State-wide average, but were not permitted to use the results to advertise their achievements. Thus, a public comparison was both allowed and not allowed in the agreement. Perhaps the more important accomplishment in the agreement was that the Annual School Reports could not rate the performance of teachers (Ellis 1997, p.6). But by ranking schools, the teachers therein were ranked by inference.

In August 1997, Federation Research Officer Sally Edsall wrote a follow-up report on the concept of ‘value-added’ education proposed by Aquilina in late 1996. She outlined the vague Departmental statement in its publication, School Accountability and Improvement in NSW Public Schools Technical Paper, about the way data had been processed to arrive at a value-added score for individual students and aggregated to give a school-by-school average. This consisted of aggregated scores for the Years 3 and 5 BSTs, added to standardised School Certificate and HSC scores, run through a computer program ‘using large dollops of statistical
regression analysis. Remove from the computer, and filter through the [Department’s] Chief Education Officer (School Improvement)...and feed to the school’s Self-Evaluation Committee for consideration and use in the school’s annual report.’ Edsall drew parallels with the Blair Labour Government’s White Paper, *Excellence in Schools*, which proposed baseline testing in kindergarten for value-added data. Edsall suggested that ‘value added is a political construct, not educational, devised to tone down criticism and beef up accountability.’ Its use was to justify centralised and standardised testing as having a scientific and evaluative purpose. However, Edsall noted that in the British White Paper such data, allied with ‘improved dismissal procedures...will ensure that governing bodies are able...to remove ineffective heads’ [Principals]. Indeed, the White Paper proposed the concept of ‘failing schools’, no doubt where staff could be dismissed or demoted. Centralised testing was thus part of an industrial relations gambit to aid easier hiring and firing of staff on the ‘scientific’, ‘objective’ and ‘apolitical’ basis of teacher and school ‘failure’ (Edsall 1997a, p.3).

Edsall’s concluding paragraphs made clear the conjunction between the media and political spheres on the matter of the construction of an education market:

Exam results, standardised test results and pupil achievement are deemed to be one of the currencies of the marketplace. This is aided by the populist media and politicians. The *Sydney Morning Herald*’s circulation increases every time there is a ranking, or league table of some sort purporting to offer valid comparisons of schools. The *Daily Telegraph* stated unequivocally in a recent editorial [24 July] that its mission is to ‘continue to report material that gives parents and the general public the ability to evaluate how teachers are performing in schools’.

Bob Carr, in his press conference of June 24, 1997, stated that the new annual school reports will ensure that ‘parents trying to choose between schools will have a reliable basis for making a decision’. (Edsall 1997a, p.3)

The real point was, however, that such accountability had no parallel in the private system. Their avoidance of the BST meant that no comparative or value-added data could be developed. A market was being constructed with a third of the purveyors absent. The political and media attacks were further ways to undermine positive perceptions of the public system and, ultimately, the legitimacy of the Federation’s demands around funding, wages and conditions. The general ‘common sense’ gist of the ideological argument was, why should governments fund ‘failing’ (public) schools or increase the pay of or remediate ‘failing’ (public school) teachers?
Private school fees were the subject of a *Herald* report in April 1997. Journalist Stephanie Raethel found that while the cost of living had risen by 0.2 per cent in the March 1997 quarter, or 1.3 per cent annualised, the *Herald*’s survey of 33 private schools found average tuition fees had jumped by about six per cent.* Raethel then asked representatives of private school organisations, like the Australian Parents’ Council, and a couple of elite private school Principals to comment on the increases. Teacher salaries were given as a reason (to ‘get good teachers’), but the respondents also noted that higher fees also seemed to increase parents’ concerns about ‘value’. According to Duncan McInnes, president of the NSW Parents’ Council, parents ‘are being more inquisitive and they want to be informed and consulted more.’ No respondent in the article noted that parents actually were being more informed or consulted (Raethel 1997c, p.3). Despite parental inquisitiveness, apart from the annual HSC results, there was no serious or ongoing public oversight or accountability mechanism for private schools.

Journalist Michelle Grattan summed up Kemp’s intentions for school education in a searching and prescient press article on 8 May 1997. Her overview of Kemp’s intentions was more accurate than anything subsequently published in the popular press. Grattan felt that Kemp was promoting an ‘exodus from the government [school] sector’ that would have the effect of encouraging the ‘government system to initiate the competitive practices of the independent schools.’ Of Kemp’s ‘objective’ data showing that one-third of school children were not adequately literate, Grattan noted that there was some suggestion ‘that he’s exaggerating the issue and using it to discredit the performance of the government school system’ and pointed out that literacy and numeracy reporting allowed school-by-school comparisons. The result would be that ‘Kemp’s competition model has big implications for teachers’, including ‘[school-based] power over budgets, teacher selection, and to negotiate conditions with individual teachers.’ Indeed, ‘The Government’s new industrial legislation, Kemp pointed out to a teaching conference last week, offered teachers and schools “much greater freedom to negotiate salaries which can reward good teachers and quality teaching”.’ What those

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*A later article in the *Herald* showed that on average elite private school fees had risen 7.5 per cent per year from 1990 to 2000. This was compared in the article with the Cost Price Index over the same period which averaged 2.5 per cent (Noonan & Baird 2000a, p.4).*
negotiations would offer the ‘bad’ teachers whose ‘poor quality teaching’ was revealed by centralised test results was not explored by Grattan, but Rob Durbridge, Federal Secretary of the AEU, claimed that ‘The principal’s management prerogative will end up being all-consuming’ (Grattan 1997, p.13). Grattan’s article had touched on the industrial issues of state aid more directly than almost any other commentator and had included Durbridge’s suggestion that increased authoritarianism, at least at a school level, was being promoted as part of the state aid strategy. Employers were to be encouraged to intervene in shaping the education sector’s industrial relations policies in an authoritarian manner. The ‘invisible’ hand of the market would be enforced by state-directed and -enabled intervention. Never again would a journalist make such clearsighted commentary.

Grattan’s breakthrough was to show the connection between centralised testing, reporting, inter-school competition and industrial and democratic issues that centred on the breaking of teacher union power. However, she still left the role of state aid in the chain, as well as the outcome – the marginalising of teacher unions, somewhat indeterminate. State aid’s role was to slant the resource competition between public and private systems in the latter’s favour. Selectivity was linked to this: as resources became superior in private schools, parents would be clamouring to enrol their children there, allowing the private schools greater selectivity. As conditions improved in private schools, teachers also would be clamouring to be employed there – in less-unionised schools that could then be more selective of their staff. Public schools would need to ‘compete’ in a situation where their budgets restricted their resourcing relative to private schools. Such resourcing in terms of non-wage recurrent expenses could be provided only by freeing up the resources sunk in teachers’ salaries and working conditions, such as by increasing class sizes. A spiral of decline in teacher salaries and working conditions in public schools would eventuate, tracked by the surveillance regimes used against teachers and students. The evidence recorded would be used to boost state aid further as broad swathes of public schools could be shown to be ‘underachieving’. Then more rapid contracting-out could

* By 2003, the average salary for a classroom teacher under the Association of Independent Schools award would be over $3,300 above the average for public school teachers under the Departmental award (NSWTF n.d [2000?]). As for working conditions, Smyth and Shacklock (1998) suggest that within public schools a decline in the quality of such conditions would present itself in the following ways: ‘teachers’ work becomes devalued, and we get locked into an unfortunate spiral of low morale, declining commitment, undervalued status, teacher burnout, media hype about failing schools – and the whole process impacts upon itself” (p.2).
take place using the excuse that the centralised industrial relations situation in public schools was impeding ‘quality’ schooling.

The May 1997 Federal Budget provided more increases in state aid. While overall education funding fell by 0.8 per cent, private schools received a 6.6 per cent increase for 1997-1998, while government schools received a one per cent increase. This meant that in total the Federal government spent just over $2 billion on the non-government sector and $1.18 billion on government schools. The government expected state aid to rise to more than $2.37 billion by 2000-2001 (Garcia 1997a, p.B4; SMH 1997, p.11).

The Federation’s July 1997 Annual Conference began the task of criticising the expansion of academically selective and specialist public schools and classes. Conference delegates were not unaware that selectivity was a process that potentially lowered test-based outcomes in many non-selective public schools through the removal of the academically most-able students from those schools. The Conference labelled as ‘elitist’ academically-selective public primary school ‘Opportunity Classes’ (OCs) and selective and specialist high schools. This was in reaction to the Carr government’s promise to provide more OC classes for western Sydney, increasing the total from 65 to 75 classes. Federation President Sue Simpson in a press interview said that selectivity and specialisation had damaged local comprehensive high schools and would ‘create a market in primary schools’. The Department’s promotion of selectivity and specialisation tended to conflict with the government’s stated aim of all schools providing for the full range of student abilities (Raethel 1997d, p.3). While selectivity was a key to the downgrading of other public schools in test-based achievement, the equivocation amongst Federation members over the maintenance of regimes of testing, which formed the underpinning of selective schools through the Selective Schools Entrance Test, and the Federation’s failure to explicitly link testing and selectivity to the basic form of existence of private schools tended to blunt the struggle against the state aid strategy. Selective and specialist schools also fragmented the commonality of teachers’ work in terms of the types of students taught across the teaching service, allowing a potential division within the Federation’s membership pitting those in comprehensive high schools against those in selective high schools.

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Following the Annual Conference decision, Illawarra Federation activist Mike Dwyer wrote a piece in *Education* drawing on his Doctoral research about selective public schools. He sheeted home the renewed expansion of selectivity to NSW Labor Education Minister Rodney Cavalier in 1988. It was thereafter fully embraced by Liberal Minister Terry Metherell. Dwyer noted their reasoning was that ‘reintroducing selectivity was to provide a public alternative for those parents who would otherwise send their children to a private school and so to halt the enrolment drift to private schools.’ These Ministers’ stated rationale was to enhance parental choice of the most ‘appropriate’ school for their child. However, stopping the drift to private schools ‘has not happened.’ Indeed, Dwyer suggested that ‘selective high schools may serve to accelerate the drift to private schools’ (Dwyer 1997, p.12). Perhaps there were other industrial relations reasons for Ministers choosing to expand the fragmentation of the provision of public schooling.

Dwyer noted that very little research had been done into selective schools in NSW. The only recent Departmental comment he found was in a Ministerial speech to the Institute of Public Affairs* in 1989 that called selective high schools overwhelmingly successful. Minister Metherell later pointed to increased demand for those schools, claiming that: ‘the number of applicants has risen by 64 per cent from [1989 to] 1993/4’ (Dwyer 1997, p.12).

But official NSW evidence showed little value in educational selectivity. Dwyer noted the 1977 findings of the NSW Committee on the Education of the Talented Child and R. G. McCann’s 1984 study from the Department’s Assessment and Evaluation Unit. Both showed that there was no significant improvement in educational success for academically-able students in selective schools. They would have achieved the same academic results in a comprehensive high school. Indeed, the 1977 report recommended the phasing out of all selective schools. The turn-around in Ministerial and Departmental thinking by the late 1980s was quite remarkable (Dwyer 1997, p.12).

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* Andrew Moore (1995) states that the Institute of Public Affairs, formed in 1943, was one of the first modern right-wing think tanks. It worked as a ‘research and publicity organisation on behalf of secondary and tertiary industry.’ It was ‘fervently anti-socialist’ (pp.51-52).
According to Dwyer, choice and selectivity had become the cornerstones of the new education market. ‘Choice’ was openly promoted by politicians and media commentators, while the full implications of selectivity remained something of a dirty secret. However, for Dwyer, even choice was not as benign as it seemed. It was driven by a logic of competition that made a virtue of inequality. The underpinning of the ‘choice’ rationale in schooling was what Dwyer called ‘Educational Darwinism’, viz.:

This process of choosing would then lead to an improvement in education because schools would be competing with each other for enrolments and would have to ‘lift their game’ in order to survive. In the end, only the fittest type of schools would survive. (Dwyer 1997, p.12)

Such Educational Darwinism was an abrogation of governments’ accountability for policy making and was a retreat from democratic oversight. Dwyer summarised this trend in government activity around educational service provision well:

[Minister] Cavalier’s decision marked the first of successive NSW government attempts to remove the onus for educational policy-making from public responsibility to individual choice. Ideas of equity, of planned provision, of consultation through the democratic processes, were replaced by the notion of choice as the primary agent of educational improvement. In effect this approach has the government saying that improving education is too hard (or too expensive). Let’s replace collective decision-making for the common good with individual self-interest. (Dwyer 1997, p.12)

According to Dwyer, not only were selective schools part of this policy dereliction, but the new public specialist high schools ‘are really an attempt to create artificial differences in the packaging of schools so that the market forces will have something to chew on’ (Dwyer 1997, p.12).

Dwyer summarised the effects of selective and specialist schools on the public system: ‘They have not stopped the drift to private schools, they have not promoted educational innovation throughout the system through increased competition, and they do not improve the educational outcomes of the students in them.’ What most concerned Dwyer was what such schools ‘are doing to their neighbouring [public] high schools’ (Dwyer 1997, p.12).

Dwyer had canvassed quite comprehensively the arguments against selectivity in public schools and had inferred that apart from being a system-wide concession to the establishment of an education market, selectivity legitimised the basic premise of private schools.
Furthermore, selectivity appeared to have at best a negligible or at worst a counter-productive effect in stemming the drift to private schools. This type of thinking probably informed the Federation’s Annual Conference decision to oppose the expansion of public selective and specialist schools and classes. Probably most Federation members were primarily concerned with the effect of selective schools on local comprehensive schools’ academic achievement. However, the key point, only alluded to by Dwyer in his article, was that public selective schools formed a culture of a type of school provision that could act as a Trojan Horse within the public system that would further undermine confidence in local comprehensive schools and set the selection and exclusion processes of private schools as the template for the public system. Selective schools also acted to more-or-less sharply differentiate the working conditions amongst classroom teachers within the public school system. Some teachers would work in ‘successful’ public schools, others would work in ‘failing’ public schools.* This had the industrial relations implication of internally dividing the common interests of the teaching workforce.

The deriding of public schools reached an apogee in August 1997. The Federal Minister for School Education, Amanda Vanstone, in a speech to the American-Australian Chamber of Commerce in Adelaide stated that ‘the bottom line is that for school-leavers, private schools have beaten unemployment’. Vanstone quoted Australian Bureau of Statistics data showing that at the end of 1995 there was a 12 per cent differential in unemployment rates between male private and public school-leavers. To combat this disparity the Minister called for a revival of technical, non-matriculation schools, saying ‘we must not force students to fit our schools. Instead, we need to ensure our schools provide a relevant education.’ According to the Minister, schools were becoming ‘tertiary entrance factories’, focusing too heavily on matriculation requirements and not work skills. Vanstone’s solution was to remove some students and some schools (in the public system, of course) from the matriculation race altogether (Garcia 1997b, p.1). The fact that the schools that could be most described as ‘matriculation factories’ and that had simultaneously ‘beaten unemployment’ were the private schools.

* In December 2000, the Sydney Morning Herald editorialised that ‘Sixteen of the top 20 schools in this year’s honour roll of students who achieved more than 90 per cent in any HSC subject are government selective high schools…. Selectives are opposed by the NSW Teachers Federation, despite that [sic] many of the union’s members enjoy the delights of teaching eager, talented and engaged students in those same institutions. They are now flagships of the government school system’ (SMH 2000b, p.10).
Schools escaped her attention. In reply, Federation President, Denis Fitzgerald, called the Minister’s request for a revival of technical schools ‘extraordinary.’ He dismissed ‘this idea of returning to a golden age where schools produced artisans.’ Comprehensive schools catered for all students, according to Fitzgerald, and Vanstone’s comments were those of a Minister for Education and Employment who had seen the unemployment rate rise to 8.7 per cent in July (Garcia 1997b, p.1). Vanstone also showed that vocationalism could be used in public schools (the Minister’s unstated target for vocational education) to narrow and differentiate the curriculum so that they could never really compete in the education market.

Minister Aquilina, in a rare display of support for the public system, called for Prime Minister Howard to ‘publicly rebuke Senator Vanstone.’ According to Aquilina, her comments ‘undermined community confidence in the system of schooling that the vast majority of Australians attend.’ (They were also the schools that the children of most Labor voters attended.) Vanstone’s attack, ‘from the very minister responsible for funding the nation’s public school system demonstrates ignorance, insensitivity and incompetence.’ That the attack was part of an ongoing and quite deliberate strategy to undermine positive perceptions of public education did not seem to occur to Aquilina, but he did note the Howard government’s ‘disregard and disinterest in public schooling’ (Garcia 1997b, p.1). Aquilina’s response tended to blunt future comments similar to Vanstone’s from Federal politicians and explicit deriding of public schools became less open and more coded. However, Minister Kemp was to show that there were many less explicit ways of delivering the message that public schools had failed.

Condemnation of Vanstone’s attack came from other sources. Federation’s August Council called for Vanstone’s and Kemp’s sacking. Sharan Burrow, President of the AEU, did likewise but equivocally, ‘unless the Prime Minister can turn around the actions of the ministers.’ ACTU President (and former Federation President) Jennie George put Vanstone’s comments in a wider context: ‘The fault is with the economic system, not with the education system.’ Vanstone had to ‘bear responsibility for her incapacity to articulate and promote a vision for the future.’ George seemed to have overlooked that Vanstone had in fact articulated a vision for the future of public schooling – the removal of some of those schools from the
matriculation contest and the confirmation of the public comprehensive system as a failure as a method of schooling. The President of the Australian Secondary Principals’ Association, Duncan Stalker, said Vanstone’s comments were statistically inaccurate, while leader of the Australian Democrats (and former public school teacher) Cheryl Kernot said that it was ‘grossly offensive’ for Vanstone to blame public school teachers for unemployment (Humphries 1997, p.6). However, despite this the minister did not resign, nor was any inquiry held into the accuracy of her statements.

A lively debate erupted in August 1997 over figures comparing public and private school per capita funding. These figures were released to the media by the Federation, using a preliminary and incomplete database compiled by Research Officer Sally Edsall. She had managed for the first time to access complete Federal government data on private school funding for 1996 by using a Freedom of Information request. The figures appeared on page one of the *Sydney Morning Herald* on 19 August 1997, headlined ‘Private pupils, public purse.’ The article stated that ‘the annual amount allocated by State and Federal governments to each student in Catholic systemic schools exceeds the average recurrent cost of educating a child in a government school.’ The averages were $3,236 for a Catholic systemic school student and $2,755 for a government school student (Raethel 1997e, p.1). Catholic systemic schools were at Category 10 on the Education Resource Index (ERI). The ERI was the measure of private school income and had been used by State and Federal governments since the Whitlam era to allocate funds to private schools on the basis of ‘need’. There were twelve categories, with the richest, high-fee elite private schools in Category 1 (or 2 or 3 given the rough estimations used in the ERI). Lower fee, small religious (often Christian fundamentalist) and autonomous schools sat at Categories 11 or 12. All other schools were ranked between Categories 1 and 12. Category 1 schools received about a fifth of the government funding of Category 12 schools.

The *Herald* article gave examples from Edsall’s database of the total amounts of state aid received by some private schools. For instance, Gilroy College, a Catholic systemic school at Castle Hill, received $3,327,225, while Abbotsleigh, an Anglican (but ‘independent’) school at Wahroonga, received $1,074,701 (Raethel 1997e, p.1). Abbotsleigh was a Category 1 school,
Gilroy College Category 10. The variation in figures reflected total enrolments in those schools. Large higher-Category schools could receive much more total funding than smaller, more ‘needy’ private schools.

The *Herald* article included immediate reactions from leading education spokespeople. Denis Fitzgerald, President of the Federation, was quoted as saying that ‘Clearly there are schools that have no entitlement to any taxpayers’ money, schools that serve already vastly privileged communities.’ This, however, avoided the real point of the issue raised by the article, which was that the ‘neediest’ private schools (Categories 8 to 12, on Edsall’s original figures) were receiving more funding per capita from governments than public schools. Fitzgerald seemed to have ignored Federation’s policy at that time that no private school should receive any government funding, at least in the published quote. Terry Chapman, executive director of the NSW Association of Independent Schools (covering the elite private schools), felt that Edsall’s figure for public school per capita funding was too low. The figure was closer to $5,000, according to Chapman (Raethel 1997e, p.1). As was subsequently shown, he was correct. The real problem was that Edsall’s State public school per capita average figure was based on a guesstimate obtained from correspondence with the Department. The anomaly was that while accurate funding figures for private schools had finally been obtained through Freedom of Information, the true per capita figure for public school students had not been released and was still something of a mystery. Chapman also went on to say that Category 12 schools would only get about 80 per cent of the public per capita figure. This was an underestimate, as later figures showed. His justification for such a rate of subsidisation was that ‘These schools are not that well off.... Parents have a right to choose and a right to be supported by the [tax] funds to which they contribute.’ While the figure for public school funding may have been inaccurate, Fitzgerald’s riposte was: ‘Do any of these people deny the millions of dollars going to specific elite schools?’ (Raethel 1997e, p.1).

These arguments demonstrated the basic ideological modus operandi of the two protagonists. The Federation emphasised the total resource imbalance favouring the elite private schools. For example, the *Herald* article gave the state aid figure for Ascham School, Edgecliff, an elite private school, as $836,246, and tuition fees for senior students in that school were at least
$10,000 per annum (Raethel 1997e, p.1). In total, this was more than double the per capita resources flowing to average public schools. However, Fitzgerald steered away from condemning the higher per capita grant to lower category schools, probably because there had been some support amongst Federation members historically over the need to fund ‘poor’ Catholic schools. Indeed, this debate harked back to the Goulburn dispute of 1962, the centrepiece of which was a rundown Catholic systemic school, the resolution of which saw the first direct Federal state aid flowing to all private schools in the form of capital grants (McQueen 1999, p.14). On the other hand, Chapman’s arguments rested on special pleading for these ‘needy’ schools. This was ironic, considering that he largely represented the most elite private schools. He also used the anti-redistributive argument that parents who pay taxes should have equal funding for their students whether in public or private schools. This fiscally regressive solution was the basic logic of a ‘voucher’ system, through which all students would receive the same per capita government funding and be able to top it up with private contributions. At this stage, the Federation was publicly focusing on the resource imbalance between the average public school and elite private schools, while state-aid-apologists tended to focus on the resource imbalance between the average public school and the ‘neediest’ lower-Category private schools. However, the Federation’s policy was to seek the cessation of all state aid to all private schools.

The Independent Education Union (IEU), covering non-government school teachers mainly in the Catholic system, was quick to enter the debate. A press release of 21 August from the IEU’s long-serving General Secretary, Dick Shearman, gave ‘helpful’ information for IEU school representatives about the ‘recent media “noise” about the level of [private school] funding received from government.’ It stated unequivocally that the Federation’s claim about higher government per capita funding for some private schools over public schools was ‘false’ and was ‘wild and irresponsible.’ Shearman noted that the public school per capita funding average revealed in the Auditor General’s report to Parliament and confirmed by the Department was $5,008 in 1995/96. The Federation’s figure of $2,755 was ‘truly extraordinary’ and he challenged the Federation ‘to publicly correct this error in the interests of a reasoned and sensible debate on state-aid.’ Shearman went so far as to dare to join with the Federation in a ‘public campaign to divert government funds from private schools to the
1995 to 1997

state school system’, if Federation’s figure were correct. ‘The reality is that the overwhelmingly [sic] majority of Catholic systemic, Christian and other non-government schools operate at resource levels far below government schools.’ This was sleight-of-hand with the figures. When private tuition fees were added to state aid, almost all private schools operated above average government school funding levels. Shearman concluded with the long-standing Catholic-schools’-lobby argument that ‘In the interests of fairness and equity, *all* Australian school children should have well resourced schools. It’s time for some honesty in the State-Aid debate’ (Shearman 1997). This was the reassertion of the ‘needs-based’ funding argument, but it did not preclude a voucher system.

The *Sydney Morning Herald* quickly picked up on the inter-union conflict. Their reporter characterised it as ‘a serious rift’ over ‘claims that the most popular private schools receive more government funding that public schools.’ Shearman was reported to have said that the Federation’s public comments were ‘designed to reignite the State aid debates of the 1970s and turn public opinion against taxpayer funding of non-government schools.’ “Catholic systemic schools received 25 per cent less funding” per capita than public schools,’ he claimed (Raethel 1997f, p.4). This figure tended to further confound the estimation of average per capita state aid to the Catholic system. The *Herald* article of 19 August had used the Federation-supplied figure of $3,236. However, a letter to parents from the chairman of the board of Gilroy College at Castle Hill, a Catholic systemic school that had featured in the original 19 August article, gave the figure as $3,130 (Davis 1997), while Shearman’s figure was more like $3,756. Shearman stated that ‘only some of this gap [between public and Catholic systemic grants] was filled by fees’ (Raethel 1997f, p.4). Yet the possible difference of $1,252 was in the lowest range of fees charged by Catholic systemic schools.

Commentators on the Federation’s claims lined up. Denis Fitzgerald said the figure had been rechecked and was accurate (it wasn’t†) and that it was ‘unfortunate the IEU had adopted an

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* Indeed, MCEETYA itself gave the figure of $600 as the average per capita difference in total resources of private schools over public schools in 1996 (MCEETYA 1996, pp.19&23 tables).

† The correct figures for public school per capita funding in 1997 were released in a government report in 1998. The figures were: average overall - $5,282; Primary - $3,677; Junior Secondary - $5,301; Senior Secondary - $6,981 (Council on the Cost of Government 1998).
abusive tone.’ Ros Brennan, President of the Federation of Parents and Citizens’ Associations, refocused the argument on the Federal government and declared that it ‘was clearly more interested in privatising education than supporting and improving it for the benefit of all.’ Unfortunately, this argument was not too dissimilar from the perennial argument put forward by the IEU. On the other side of the debate, the Australian Parents Council and the Council of Catholic School Parents rejected the Federation’s figure. As well, Minister Kemp asserted that the figure was ‘completely false’ and that such claims would ‘damage the reputation of government schools and were socially divisive.’ Minister Aquilina weighed in by stating that the average spent on government school students was $5,200 (Raethel 1997f, p.4). He had given this figure in a letter to the editor printed in the same edition of the Herald. He further stated that ‘Private schools continue to be funded by the State Government at 25 per cent of the average cost of educating a student in a public school.’ The Commonwealth government, he wrote, ‘funds only 9 per cent of public school costs, yet provides up to 50 per cent of funding for private schools.’ Aquilina acknowledged that the Teachers Federation was ‘understandably upset that the Commonwealth has introduced the Enrolment Benchmark Adjustment that will penalise children attending public schools.’ He castigated Kemp and Vanstone for being ‘hell-bent on cutting funds to government schools as well as undermining public education.’ However, Aquilina concluded on an equivocal note: ‘There is no risk to State Government funding of public or private schools’ (Aquilina 1997c, p.16). The letter seemed to be a conciliatory statement of even-handedness, probably to defuse what Aquilina had earlier feared to be a revival of the state aid debate of the 1960s.

The debate continued in the Herald. Some letters showed that ‘common sense’ appraisals of state aid were not all conservative. Bruce Weatherlake of Bli Bli in Queensland rehearsed arguments about the economic inequity and exclusionary purpose of state-aid-supported schools: ‘Most parents cannot afford the fees and even when they can, religious schools have exemptions under the anti-discrimination acts for the purpose of precluding those who do not share their religious ideology’ (Weatherlake 1997, p.16). On the other hand, the usual pro-voucher argument about funding to taxation proportionality was raised by Greg Malakou of Bayview who argued for ‘the right of the “privileged” to access the public purse’ because ‘they disproportionately contribute to it via a tax system that has heavily penalised the benefits
of the hard work necessary to become and stay “privileged”’ (Malakou 1997, p.14). Four days later, Denis Fitzgerald replied to the Malakou letter that ‘anyone who believed that proposition in today’s Australia probably would believe that State aid taxpayer subsidies to the elite was a sound idea’ (Fitzgerald 1997, p.18). Some did believe, including W. K. Flanagan of Red Hill in the ACT who argued for a modified voucher system. Flanagan claimed that ‘independent’ schools were entitled to state aid ‘on an appropriate, if less than proportionate, basis’ and criticised Fitzgerald for his comments in the 22 August article where he was assumed to have wanted to ‘reopen the debate’ on state aid, ‘to stir up resentment against the accepted, if imperfect, system’ (Flanagan 1997, p.18). Indeed, Fitzgerald had called in his letter for an urgent ‘total review of all State aid’ (Fitzgerald 1997, p.18), but Federation’s action around state aid tended to be piecemeal and had never been fully committed with the decisive industrial action that such a campaign required.

Two letters to the Herald on 25 August broadened the debate into other areas of government subsidies to private schools. State aid was not just provided in the form of direct financial subsidies to private schools. E. Hudson of Warrawee gave as an example the Uniting Church holding in trust eleven properties for the elite private Knox Grammar, of which only three accrued local government rates charges (Hudson 1997, p.14). G. Grace of Hunters Hill complained that the local elite Catholic school, St Joseph’s College, paid no rates, nor did the college-owned teacher housing. Yet the school had ‘vast grounds’, groundsmen, and ‘extravagant’ sports facilities, including a rowing shed on the nearby creek (Grace 1997, p.14).

At the same time, Robert Bartulovich, President of the Bathurst Teachers Association of the Teachers Federation, had battled persistently with the Bathurst City Council over their assistance to local private schools. In February 1997 Bartulovich had protested the Council’s waiving of $30,000 worth of development fees incurred by the local Category 2 Scots School. His letter to the Mayor, Ian Macintosh, received a reply on 17 March which maintained that in terms of Council grants-in-kind ‘the level of assistance to [public and private schools] has been at similar levels (48% public and 52% private).’ Macintosh continued, ‘additionally, Council has given water and sewer discounts of over $340,000 over that period. While boarding schools obviously use more water and sewer services, public schools received over
$114,000 of that discount’ (Macintosh 1997). In other words, public schools received only one-third of the water and sewerage discounts to all schools in the Council area. The four per cent difference in the ‘in-kind’ assistance of $5,800 meant the approximately 2,140 private school students in Bathurst were receiving $231,000 more local government assistance than the much larger number of public school students. To add insult to injury, the Bathurst City Councillors voted to refuse to waive a $100 building fee for Bathurst Public School in August. Building fees of $30,000 had been waived for the Scots School, $1,152 for MacKillop College (a Category 1 school) and $4,000 for the Assumption School (Category 10) (Bartulovich 1997; Frost 1997). This demonstrated the variety of sources of subsidy to private schools, an issue that tended to be obscured by the Federation’s focus on State and Federal governments and the elite private schools.

Regional media could be used easily by pro-state-aiders to make their case. The *Illawarra Mercury* on 16 August ran an article entitled, ‘Students thank their “life saver”.’ Minister Kemp ‘in between dodging protesters and pushing policy...took time out yesterday to meet three Wollongong school students on a mission.’ The students met Kemp in Nowra ‘to say a personal “thank you” to the man they credited with keeping their school alive.’ The students came from the Wollongong Christian Community School in Unanderra. They thanked Kemp for abolishing Labor’s New Schools Policy which had threatened that school with closure because of its less than 200 student enrolment in 1995. The school now had 200 students, and was to expand into Years 11 and 12 by 2000. Kemp ‘was presented with a card containing the signatures of each of the school’s students and photographs of students taking part in school activities. The minister was “touched” by the gesture’ (Dennis 1997, p.15). The article was quite gratuitous in its praise for Kemp and exemplified the effects of the abolition of the New Schools Policy. Even 200 students was considerably smaller than all but one regional public high school in NSW, yet a ‘boutique’ private school could nevertheless receive enough government funding to make it viable. This was a clear example of governments supporting previously non-viable schools simply to attract students away from the public system.

August 1997 saw the NSW government begin the process of introducing legislation to establish a central teacher registration authority. The legislation, entitled the ‘Teaching
Standards Bill 1998’, was ostensibly to be used to boost the ‘effectiveness and standing of the profession’. The proposed registration authority was to ‘address ways in which [teachers and the community] can be assured about the training, qualifications, professional competence and suitability of those who practise teaching as a profession in New South Wales.’ It thus proposed a new and intensified level of teacher surveillance and the authority would avoid ‘red tape’ in its registration processes (NSW Government 1997a, p.1).

The ‘Teaching Standards Bill 1998’ proposed a reduction in the level of qualifications needed to teach in public schools. The teacher registration plan justified such dilution of standards by stating (rather tangentially to the main issue) that while the government’s Teacher Qualifications Advisory Panel ‘endorses university teacher education courses for employment purposes with the Department of School Education’, ‘participation by universities is not mandatory and in the non-government sector there is no formal system for endorsement of teacher education programs.’ It was seen that a key problem of the current qualifications regime was ‘that a teacher who is accepted as qualified in one system or school is not automatically deemed to be so in another’ (NSW Government 1997c, p.2). What the author of the plan on which the legislation was to be based missed here was that all teachers in NSW government schools had to have at least a two year university accredited degree (or equivalent) and that the vast majority of teachers had three or four year degrees.

Private schools could employ unqualified and untrained teachers within the provisions of the Education Act 1990. The ‘problem’ of accreditation seemed to be all one way: unqualified private school teachers could not teach in public schools, but, of course, all public school teachers had qualifications that, indeed, made them valuable for private school employment. The proposed legislation allowed any teacher who had taught for three years in any school or system able to be registered as a qualified teacher (NSW Government 1997c, p.3).

The legislation was justified by the 1995 Council of Australian Governments’ agreement on National Competition Policy: ‘that a central plank of National Competition Policy should be the reform of regulation that unjustifiably restricts competition’ (NSW Government 1997b, p.1). The aim of the proposed registration authority to increase ‘competition’ was to reduce
barriers to entry of licensed professions, in this case, teaching, and to ease the ‘mobility’ of
teachers between State jurisdictions (NSW Government 1997b, p.2). The National
Competition Policy, while ostensibly about enhancing competition between service providers,
had been interpreted by the NSW government through the ‘Teaching Standards Bill 1998’ to
be about increasing the number of workers able to be admitted to the teaching workforce. It
was a tactical move to increase competition between employees by oversupplying the teaching
labour pool with unqualified staff, rather than a move to open up competition between
education providers. Teacher registration would still be centralised in the hands of government
through its legislated guidelines, if nevertheless undertaken by a registration authority
supposedly at arm’s length from government. However, the industrial implication for the
Teachers Federation was that the lax registration requirements of the Bill could produce a
diluted and oversupplied teaching labour pool. Such oversupply of teachers could marginalise
the Teachers Federation’s efficacy in covering the increased number of teachers scrambling
for employment in such a situation of oversupply. The irony was for a Bill about ‘standards’,
that if less qualified teachers were admitted into the teaching labour pool, the private schools
could use their higher salaries to attract the most qualified teachers from public schools and
leave those schools having to draw from the least qualified end of the labour pool – those
unqualified teachers currently working in private (especially the small Christian) schools.

It may be assumed that the legislation was an attempt to break the quasi-‘closed shop’ control
of the public school teaching workforce that the Federation had succeeded in creating by
maintaining three or four year university qualifications as necessary for employment in public
schools. This was done through Federation representation on the Department’s Teacher
Qualifications Advisory Panel. Indeed, the Federation had been so successful that with
universities increasingly avoiding teacher education because of its underfunding by the
Federal government a significant shortage of properly-qualified teachers had arisen in the
public school system. While the AEU and the Federation had some sympathy for teacher
registration, no doubt hoping that the hurdle would be set high enough for such registration to
be impossible for many private school teachers, the registration model proposed in the
legislation (Clause 21 (3)) would register unqualified but ‘experienced’ teachers (a category
that actually only existed in the private sector) and charge teachers at least $50 per annum to remain registered.

The Federation also had some concerns that the proposed ongoing accreditation system could allow greater surveillance of teachers on a regular basis and be used to harass teachers, because the legislation proposed the strengthening of local assessment of teacher efficiency and misconduct. These processes could be used to churn staff, increase the authoritarian power of Principals and perhaps lead to salary differentiation through individual contracts, if local staffing practices were set in place. The private schools, on the other hand, were concerned that the legislation also proposed that the majority of teachers in private schools be registered – which could have been difficult for newly-established, small Christian schools that may not have had any qualified or experienced staff* (Raethel 1998b, p.4).

Intense lobbying by the Federation of parliamentarians and the private schools’ disquiet over some aspects of the legislation saw it defeated by the combined votes of the Coalition, Greens, Australian Democrats and most Independent members of the NSW Legislative Council in late 1999. Nevertheless, the ‘Teaching Standards Bill 1998’ indicated that the Labor government was interested in marginalising the Federation’s role in assessing teacher qualifications for employment and was an attempt to prevent any Federation move towards a type of closed shop coverage of public school employees. The government had sought to expand the teaching labour pool available for public and private schools through a registration process that would enable less-qualified or even unqualified staff to be regularly employed. It had sought to reduce the Federation’s partial oversight of teacher employment by legislating the requirements for teacher registration and thus directing and limiting the future actions of the Teacher Qualifications Advisory Panel (or the proposed teacher registration authority). An intermediary representative body was to be marginalised and teacher ‘standards’, despite the Federal and State governments’ growing level of rhetoric about ‘standards’, seemed not to matter when compared to the marginalising of the Federation (see Leete 1998a; Leete 1998b; MacGregor 1998; NSWTF 1998h; NSWTF 1998g).

* This was not just a problem for the small Christian schools. A Herald editorial in November 1998 commenting on the ‘Teaching Standards Bill’ noted that the elite private ‘Sydney Grammar School would have half of its teachers on a provisional registration’ because of their lack of formal teaching qualifications (SMH 1998d, p.20).
Minister Kemp once more moved onto the offensive in his attempt to manufacture a crisis of confidence in educational standards.* Of course, reading between the lines, it was actually an attack on public education. The issue was the standard of literacy achievement as measured by the National Schools English Literacy Survey commissioned by the Federal government. The survey was compiled from Basic Skills Test results and their variants, which now existed in all Australian States and Territories. The results showed that one quarter of Year 3 students and one third of Year 5 students were failing to meet the set standards. Kemp called the survey results a national disgrace and implied that 30 per cent of students were illiterate. He was reported to have said ‘that the education system was failing tens of thousands of children.’ However, the survey found ‘that students from wealthy families did much better in both reading and writing.’ Sharan Burrow, President of the AEU, responded that she ‘was surprised by the figures and disappointed that Dr Kemp had reduced the results to a single figure using arbitrary standards. “Rather than manufacturing a crisis, the profession challenges him to work with them to construct genuine solutions”.’ This was something of a capitulation by Burrow to the government’s finding that schools produced illiterates. The Federal Opposition education spokesperson, Mark Latham, also suggested that Kemp was ‘always running down schools rather than trying to answer problems in the education system’ (Raethel 1997g, p.1). Latham’s statement overlooked the fact that Kemp was really trying to run down just one system of schools.

Later, in November 1997, Kemp appeared on the popular 60 Minutes TV current affairs program to comment on literacy. He said, ‘I think parents are fed up with being deceived by soothing words that their children are…getting the literacy skills they need for life…. I believe that the reassurances that have been given to parents are a hoax. Parents are being deceived when they’re told that 96 per cent of students are reading at an appropriate level’ (Kemp 1997,

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*Smyth and Shacklock (1998) comment that Berliner and Biddle in their ‘detailed’, ‘insightful’ and ‘well-argued’ 1995 book, *The manufactured crisis: Myths, frauds and the attack on America’s public schools*, ‘provide [evidence] of an extensive, persistent and orchestrated campaign of misinformation, deceit, half-truths, misrepresentations, myths and outright lies. They label this as collectively amounting to a “manufactured crisis” about the true nature of contemporary American schooling…. The real issue is the significant loss of public confidence and dramatically declining public resources for education’ (p.46).
Barbara Kamler from Deakin University explained the ideological intent of Kemp’s clever language:

> What is interesting about these statements is that they refrain from directly criticising teachers. Instead they foreground parents as the wronged consumers who are not getting the educational product they think they are buying. In fact it is being suggested that parents are being deceived…. Although the passive verb is used ‘Parents are being deceived’ presumably they are being deceived by someone. It is, however, quite easy to insert ‘teachers’ into this gap, as the absent liars, the ones who cannot be trusted. And this is my point: teachers can be blamed precisely because of the literacy crisis narratives in the public domain…. Crises narratives require a scapegoat. Teachers are the ones…who need to be brought into line. And to make sure that they do, the Government will institute a whole set of tests to monitor their effectiveness. (Kamler 1999, p.3)

With the benefit of hindsight, Kamler was more perceptive here than any media commentator on the supposed ‘literacy crisis’ and exposed in a more clear and nuanced way than the Teachers Federation Kemp’s intention of disparaging and marginalising public school teachers. Without some access to BST data to disprove the student ‘illiteracy’ claims or to unequivocally reject centralised student testing as an ideological swindle, the Federation was unable to counter fully Kemp’s ‘common sense’ attack. As long as some Federation Officers supported centralised testing, then the ‘standards’ attack on public schools could not be adequately refuted. And that attack was a vital hegemonic screen for state aid.

In October 1997, Sally Edsall (1997b, p.7) provided in *Education* some examples of private schools benefiting from a range of government subsidies. For instance, the publicly-funded Saturday languages schools, run using government school teachers, had open entry for private school students who contributed nothing to their running costs. Similarly, Distance Education was provided at a minimal fee to private school students. And syllabus and curriculum documents, as well as entry to public examinations, exam supervision, exam marking, the HSC Hotline, and syllabus committees were all provided free of charge for private schools. Edsall then estimated that the 28 per cent of students in private schools attracted 50 per cent of government conveyancing (student transport) expenditure.

Edsall (1997b) gave some specific examples of the way various government subsidies and actions aided particular schools. Government interest subsidies for private school building
loans would save the Santa Maria Del Monte Primary School at Strathfield $880,000 over the life of its loan. Shore (Sydney Church of England Grammar School) had noted that the Australian Taxation Office had allowed all cash gifts to the running of its school archives as tax deductions. When Balmoral Infants School was sold to a private school, some of its land was subdivided and sold to developers, no doubt at some profit on the $2 million that had been paid for the school initially. Parts of Bexley Public School and Forest Road SSP had been sold to establish a school for the Coptic church. A private, Islamic school was operating from ‘surplus’ classrooms at a western Sydney public school. The rent charged helped to continue the Disadvantaged Schools Program in the school after government funding had been withdrawn. And a new Christian School in Grafton suggested in its school plan that ‘funding requests for capital building works are far more sympathetically received [by government] where a School has initially used its own resources and then seeks help with building projects to expand’ (p.7). Edsall had shown that state aid was not simply direct financial grants to private schools from governments. A variety of mechanisms at all levels of government existed to directly or indirectly channel resources to private schools.

Edsall also canvassed five arguments in favour of private schooling and responded to them. In ‘State aid and federal funding: confronting some myths’, Edsall replied to a rhetorical question about the perceived ‘public’ nature of Catholic schools by emphasising that such schools ‘can choose or exclude any student on any basis.’ These included religious criteria, academic or ‘special talents’, ethnicity or race, ability to pay, cost to the school for special provision, and even ‘hairstyle’. This was unlike the public system which was obliged to educate any student of school age. Edsall continued: both ‘poor’ and extremely wealthy Catholic schools received government funding. The success of the Catholic system’s lobby in attracting large quantities of state aid had led the Anglicans to establish their own system, in the hope of attracting similar largesse. She bravely noted the accuracy of the Federation’s funding figures for private and public schools, noting that public figures were drawn from the government’s Average Government School Recurrent Cost statistics. Edsall also noted that the private school figures provided by the Federation did not include Commonwealth capital works subsidies for private schools, nor the private schools’ capital works loan interest subsidies received from the NSW
government, nor the tax-deductible parent building fund donations. The total government subsidy to those schools was underestimated (Edsall 1997b, p.6).

As for the curriculum requirements in the different systems, Edsall remarked that private schools were obliged only to meet ‘minimal standards’ and even then could apply to the Board of Studies for exemptions from ‘onerous’ curriculum requirements. While public schools had to employ qualified teachers, ‘there is no requirement for any private school to employ a qualified teacher. The minimum requirement is that there must be a suitably qualified (or experienced) supervisor of teachers. One recent case demonstrates that the supervisor need not even be in the same state as the teacher! This is perhaps one reason why some elements of the private school lobby oppose registration of teachers.’ Edsall also noted the disproportionate amount of new vocational funding going to private schools. It was not provided on the number of students attending vocational courses, but on the number of students in Years 11 and 12 in each school. Edsall gave the example of the private Brighton Grammar school in Minister Kemp’s electorate in Melbourne. It would receive $1,700 for each student engaged in vocational education, while the nearby public Brighton Secondary College would only receive $300 per student (Edsall 1997b, p.6). Edsall’s article was a profound rejection of arguments about any existing equity between the public and private systems.

In October 1997 an organisation was formed by activists within the Teachers Federation that sought to focus Federation activities more closely on state aid. It was perhaps felt by this group that not enough attention had been paid by successive Federation leaderships to the centrally destructive role played by state aid in producing the deteriorating working conditions, diminishing public school funding and declining salaries suffered by teachers since the 1980s. Calling itself Promotion of Public Education (POPE), the organisation issued its first newsletter, Class Action, at the October Federation Council. Under the heading ‘What we’re about’, POPE’s newsletter declared its desire for the ‘full resourcing of Public Education, a fair go for all Australians in Public Education, no “User Pays” in Public Education or in anything else’, and ‘unity in action to stop the widening class gap in the interests of a more equitable Australia.’ The newsletter urged the rejection of both the EBA and Kemp’s New Apprenticeship System, highlighted government cuts to universities,
Abstudy and the Common Youth Allowance, and canvassed five responses to common arguments favouring private schooling. For example, on the question of private schools offering ‘choice’, the article replied, ‘ALL kids have the right to the highest quality education. Expend your efforts AND your money in ensuring that right for everybody, not just your own kids.’ Its most significant point was that ‘saving the government money’ through private schooling actually established ‘a culture of BOTH government subsidy AND compulsory school fees. You are widening the class gap in education AS WELL AS increasing costs for parents overall’ (POPE 1997 – capitals in original). This last point was clearly aimed at exposing the voucher system that governments were introducing by stealth. The formation of POPE pointed to some dissension within the Federation over the perceived poor level of activity specifically around state aid.

A recommendation was made to the Federation’s October Council opposing state aid. However, what it actually did was alter the Federation’s longstanding opposition to all state aid by proposing the ‘urgent abolition of all government assistance to Category 1 and 2 private schools.’ This alteration sought to break the deadlock on state aid whereby the Federation’s position of blanket opposition to all state aid alienated not just any serious consideration of such a proposal by governments, but also marginalised the support of some Federation members who had their children in non-elite, especially Catholic systemic, private schools. This proposition came originally from the POPE lobby group within Federation Council. On the floor of Council a POPE activist amended the recommendation to include the abolition of state aid to Category 3 private schools. This was supported by Council and meant that POPE’s policy had become part of the Federation’s state aid policy. The final motion committed the Federation to exposing ‘state aid rorting’, to informing members about private school funding in all its forms, for the ‘Senior Officers to continue to take all necessary steps to re-open the state aid debate’, and for Federation Associations to do so at a local level. Federation was to seek the repeal of the Education Reform Act (which had actually become the Education Act 1990 by that time), make state aid a major issue at the forthcoming AEU Federal Conference, seek the support of the P&Cs and FOSCO for its new anti-state-aid policy, and implement the 1997 Annual Conference decision to create a Federation Restricted Committee to coordinate a ‘Privatisation, Competition and Funding Campaign’. The decision of Council included holding
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a ‘Privatisation vs Public Education’ Conference in first semester 1998 (NSWTF 1997). In the absence of an immediate struggle over salaries or some other pressing issue, the Federation at least was able to offer to carry out a broader campaign around state aid. Few members were in doubt about its importance for the resourcing problems in public schools. However, the Federation came up against the difficulty of how to campaign on such a broad and deep issue as state aid to which all sides of politics were implacably committed.

Soon after this proposal to campaign against state aid was carried at Council, Federation, the National Tertiary Education Union (NTEU), the NSW branch of the National Union of Students (NUS), the AEU, the NSW Aboriginal Education Consultative Group and the NSW Federation of Parents and Citizens Associations issued a one-off free publication to all members entitled *Public Education News*. It editorialised about the formation of the ‘Public Education Coalition’, ‘an alliance of various unions and organisations...who are firmly committed to defending accessible and equitable public education.’ This was a first for the Federation: to be involved in such a broad alliance of education unions and organisations around issues including state aid. As well as devoting 13 pages to arguments about education in crisis, the EBA, the relationship between employment deregulation and education, government attacks on Abstudy and childcare, the inequity of the university Higher Education Contribution Scheme fees, the publication also studied the media’s role in promoting the education ‘crisis’, and the culpability of Minister Vanstone.

The publication’s raison d’etre was publicising the ‘Young People Speak Out for Public Education Special Forum’ to be held at the Federation’s auditorium on 1 November 1997. The Forum was to be organised by the Public Education Coalition and gave a list of high-profile public figures who would attend, including Aboriginal magistrate Pat O’Shane and ABC TV presenter Quentin Dempster (Public Education Coalition 1997). While the *Public Education News*.

*The July 1998 Teachers Federation Annual Conference accepted the new position on state aid. This meant that the POPE position became official Federation policy. The decision of Annual Conference read that the Federation was to seek the ‘Abolition of funding to Category 1, 2 and 3 private schools in the first instance, and the re-allocation of that funding to public education.’ The other anti-state-aid decision was: ‘Cessation of the “25 per cent rule”, whereby private schools overall automatically receive funding equivalent to 25 per cent of the average cost of educating a student in a public school.’ Another decision made these positions more explicit. The savings from reduced state aid would be directed towards equity and social justice programs in public schools, the EBA would be abolished and private school establishment would be controlled (Education 1998c, p.11).
News carried important information, it lacked clear directions on how to coordinate and prosecute a campaign against state aid, besides the Public Education Forum. The Federal government became a clear focus in the document for campaigning against state aid, but the bipartisan support in all parliaments in favour of state aid made appeals to politicians virtually worthless. The problem of interesting an at-best-supine and at-worst-complicit media in fully reporting the anti-state-aid campaign was not addressed.

The forum was not a success. Barely 50 people attended, O’Shane and Dempster did not appear, and decent ‘motherhood’ speeches on the importance of public education by the likes of academics Frank Stilwell from the University of Sydney and Alan Reid from Adelaide, sat side-by-side with less fulsome tributes from Senator Lyn Allison, the Australian Democrats education spokesperson. The forum resolved little except to continue the campaign against state aid, although some members of the audience were not even too sure about that (Author’s notes 1-11-1997). Perhaps the inclusion of ‘Young People’ as the key term in the forum’s title dissuaded some attendees, but the representation of school students and NUS members was minimal, although better than representation from the NTEU. There was some questioning in Federation activist circles later whether the forum had been meant to succeed, given its rapid convening, the minimal advertising and Federation’s failure to make it an official union function for delegates.

In the 10 November edition of Education, Lindy Nolan, a teacher at St John’s Park High School, publicly announced the formation of POPE as an activist group. She pointed to the pro-private-school agendas of both State and Federal governments and called for increased activism by teachers around state aid: ‘Hitting out defensively in all directions is exhausting, but doing nothing ensures the attacks will increase in intensity and pace.’ The convenor of POPE, longtime Federation activist Bob Treasure, was extensively quoted in the article giving arguments against state aid and ridiculing a rumoured notion of teacher registration applying only to public school teachers. Nolan continued, ‘POPE does not intend to simply complain about the insidious development of user pays and taxpayer-funded privatisation of education. It intends to act, to organise publicity, protests and seminars.’ She called for rallies outside the elite private King’s School and for informing and mobilising ‘parents, students and the wider
community’ about ‘who’s behind the attacks, and who benefits?’ The week-long protest by students at the Royal Melbourne Institute of Technology over up-front fees was noted as a positive example of effective action. The article also noted that ‘big business calls the shots, while times get tougher for everyone else.’ The article concluded by suggesting that ‘if we don’t fight we’ll surely lose’ (Nolan 1997, p.25). The article showed that there were Federation activists willing to broaden and intensify the struggle around state aid. However, the fate of the 1 November forum did not augur well for an official leadership imprimatur for the call-to-arms by POPE.

Also in November, Sally Edsall’s completed database of Federal and State funding of all private schools was presented to Council. It was based on 1996 data, including enrolment figures for each school. The exact figures for recurrent per capita funding by school were produced by taking the State and Federal funding for each category of school and multiplying it by the enrolments in each school. The database showed that there were 33 Category 1 schools in NSW, with total government per capita subsidies ranging from $1,581,985.56 for Knox Grammar School’s 1,741 students at Wahroonga, to $6,393.90 for the Muses Preparatory School’s ten students at Bondi Junction. There were 611 Category 10 schools, which included all Catholic systemic schools. The Catholic systemic subsidies ranged from $5,041,785.60 for All Saints’ College’s 1,611 students at Maitland, to $12,725.16 for St Joseph’s six students at Cambewarra (Edsall 1997c). Most Catholic schools appeared to range between 400 and 600 students with an average subsidy (also averaging the differential subsidy for primary school and secondary school students) of $1.6 million.

There was also a socio-economic differential between Catholic schools that was not reflected in the blanket funding policy for Category 10. For example, Patrician Brothers College at Fairfield, whose 1,399 students were drawn from a largely socially disadvantaged area, received $4,016,172.74, and was funded at the same per capita level as the Marist Sisters’ 712 girls drawn from the affluent North Shore at Woolwich ($2,228,275.20) and St Leo’s College at Wahroonga, whose very affluent 952 students received $2,979,379.20. There was almost certainly a considerable tuition fee difference between Catholic schools at, for example, Fairfield or certain country schools and the higher fees at St Leo’s and the Marist Sisters. This
would suggest that within the Catholic systemic schools some schools with high fees could top up their subsidy and sequester more resources than other Catholic systemic schools. There were non-Catholic schools within Category 10, such as Tuntabale Falls Community Primary School at Nimbin, whose 13 pupils received $27,571.18, the Children’s Garden Rudolf Steiner School at Randwick, whose 23 pupils received $48,779.78, or Southern Cross Baptist school at Engadine, whose 26 students apparently received $65,229.76 (Edsall 1997c*). There were considerable tuition fee differences across those schools. The figures revealed that at Category 10, as with the Rudolf Steiner school at Randwick, state aid paid the full cost of a teacher’s salary for a class size of less than the maximum operating in public schools. It was doubtful whether a typical public school was funded at a similar level, as the example below of Umina High School indicates. And the state aid figures did not include private schools’ extra sources of direct funding from tuition fees, bequests and donations.

The final act in the state aid struggle for 1997 came with Minister Kemp’s visit to Umina High School, north of Sydney, on the last Wednesday of the school year, 17 December. Col Stewart, Umina High’s Federation Representative, issued a media release declaring that ‘Umina High Goes Private’. The release was written in a sardonic tone declaring that ‘the staff at Umina High School have decided to withdraw from the State education system and become a private school for purely financial reasons.’ The school was to be renamed ‘Uminaview College’, and the release mentioned that when Kemp visited the school he would announce ‘Federal funding for our new Olympic Pool and the Rowing Clubhouse.’ Upon Kemp’s arrival at the school with a police escort, staff donned black and white boaters for Kemp’s tour of the school. He was shown a school pedestrian bridge that had been condemned by the Department at the start of the year, but which was still in use. Then a delegation of staff members met with Kemp for 15 minutes and asked why his publicly-quoted average per capita cost of $6,000 for public school students did not equate with the Umina High budget, which set the figure at just over $3,500 per student. Kemp explained that his figure was simply an average and he could not explain the situation at Umina. The demonstration was featured on the local NBN TV news (Stavert 1998).

* Precise funding figures for individual private schools in this thesis are drawn from this database for 1996 and the later database for 1999 (Edsall 2000).
A stocktake of the state aid struggle between 1995 and 1997 shows that there had been some tactical successes for the Teachers Federation. State aid had become a significant media debate, if incomplete and equivocal in its presentation. The Federation’s ability to use the media and present largely accurate statistics on the quantities of state aid had helped in its prosecution of the war of words. The Federation itself was able to use the popular ideological marker of elitism in the provision of state aid by the alteration of its policy to focus on the elite private schools. The eventual defeat of the ‘Teaching Standards Bill 1998’ also meant that at a basic industrial relations level, the dilution of the public school teaching labour force had been headed-off. The move to a churned or contracted labour force had been made more difficult for the NSW government.

However, the flow of state aid continued with no respite, as did the drift of enrolments to private schools. The industrial relations strategy underpinned by state aid was still firmly in place. The failure by the NSW government to deregulate the employment status of public school teachers meant that the government’s tactics had to focus more fully on the control of and undermining of teaching conditions in the public school sector. Neither the NSW or Federal governments had resiled from their ability to closely control the working conditions of teachers. These conditions were rendered more difficult by the inadequacy of staffing for the expanded senior retention rate and by the surveillance of teachers through centralised testing. Both these situations, as well as others outlined above, fuelled the publicity given to the public school ‘crisis’ of ‘standards’. The battle over working conditions and their connection to the underfunding of public schools relative to private schools’ burgeoning state aid across 1998 is examined in the next chapter.
Chapter 3

The state aid struggle and the New South Wales Teachers Federation 1998

This chapter begins by discussing funding relativities between public and private schools. Governments’ stated rationale for automatically increasing state aid was the ‘fairness’ of its relativity to increases in public school funding as measured officially through the Average Government Schools Recurrent Cost (AGSRC) statistics. The chapter reveals that such a broad averaging of statistics of public school funding actually hid the relativity between the costs of schooling ‘typical’ as against ‘average’ students in the public and private systems. The inaccuracy of the AGSRC figure allowed state aid provision under the cover of ‘fairness’ (translated as ‘need’) to approach the level of a voucher system. That is, state aid for some Categories of private schools approached equivalence to the recurrent funding for ‘typical’ public school students.

Teachers Federation Research Officer Sally Edsall’s examination of the income of the Catholic Schools Office in the Maitland-Newcastle Diocese revealed the equivalence of private/public school funding through the inauguration of a type of school voucher system. Later in October, the Federal government recategorised state aid to Catholic schools to the more benevolent Category 11 level of funding. When such funding was added to the privately-generated tuition fee income of private schools, it appeared that even for the ‘mass’ Catholic system of schools governments were committed to making decisive resourcing differentials between public and private schools. The Federation had little success in generating media interest in this revelation.

The implementation of the Federal government’s Enrolment Benchmark Adjustment (EBA) policy reduced funding to public schools relative to the proportional enrolment drift to private schools. That policy was the clearest signal to interested observers that the gap between public and private school resourcing was a key tactic in the state aid struggle. The historical vertical fiscal imbalance between the Federal and State governments allowed the Federal government to drive change in the sectoral structure of the State school systems. While the NSW Labor government appeared to have few objections to this deliberate sectoral shift in resourcing, this chapter shows that it did object vociferously to the cost-shifting that it perceived to flow from the EBA. This objection led the NSW government to
release in May *Savaged for a surplus*. That document specifically revealed the burgeoning provision of state aid by successive Federal governments, both Coalition and Labor. However, it gave no appraisal of the NSW government’s own complicity in the provision of state aid. Nevertheless, the NSW government’s need to respond to the Federal government’s state aid generosity showed that public perceptions of the state aid struggle were having some impact on the NSW government. This was to result in a slight reduction in the NSW government’s contribution to state aid in 1999. The fiscal struggle over cost-shifting between State and Commonwealth resulted in the only movement between 1995 and 1999 towards the Teachers Federation’s policy of reducing state aid to elite private schools. The Federation’s policy may have influenced the targeting of those schools by the NSW government, but the Federation itself had had little success in convincing politicians that such a reduction should have taken place even without the cost-shifting struggle between levels of government.

A study of politicians’ and media commentary forms an important part of this chapter. The career of pro-state-aid ideologue Brian Caldwell is tracked across 1998 and a close reading is given of the speeches of Federal Minister David Kemp and one speech by Prime Minister John Howard. Since media reports seemed unable to unpack their position on state aid and what they saw as the roles for public and private schooling, a close analysis of their pronouncements is necessary. This analysis includes a study of the way notions such as ‘choice’, ‘quality’, ‘basic skills’ and ‘excellence’ acted as code for the attack on public schools and teacher unions and for the increased provision of state aid. The Teachers Federation and the Australian Education Union (AEU) gained intermittent media attention as their spokespeople inconsistently rejected such notions and terminology. However, the ‘common sense’ nature of these terms and the profile they had gained through the media’s largely uncritical diffusion of them made the debate over terminology difficult for the Federation.

The unifying role of the Independent Education Union (IEU) in supporting blanket state aid is examined. Their public position was that state aid was necessary to equalise educational provision between public schools and ‘needy’ private schools, usually a euphemism for the Catholic systemic schools in which most IEU members worked. Such a legitimising position was becoming increasingly untenable as educational provision in almost all private schools began to clearly and visibly outstrip that in public schools and
when the largest proportional increases in state aid were flowing to the elite private schools rather than the ‘needy’ Catholic systemic schools. The Federation launched no public campaign specifically against the IEU’s position nor that of the Catholic systemic schools.

The Federation’s overall response to state aid was weakened by the absence of an analysis of the industrial relations implications of state aid or any appraisal of what state aid revealed about governments’ relationship with intermediary representative institutions such as the Teachers Federation and the NSW Federation of P&Cs. The chapter shows the Federation’s inadequate understanding of the retreat from corporatism as governments moved towards operating in an increasingly arbitrary and authoritarian manner. What analysis of this type there was did not seem to inform any actions by the Federation.

Without reference to the implications of state aid favouring anti-democratic organisations, then the pervasive culturalist arguments used by anti-state-aid commentators were inadequate and largely irrelevant for the successful prosecution of the state aid struggle. In the chapter, the highlighting of perceived cultural differences between public and private schooling and the supposed democratic nature of public schooling are set against an assessment of the more concrete strategic aims of governments’ provision of state aid, the actual circumstances of the lack of democratic participation in public schooling and other measurably authoritarian policy manoeuvres by governments.

The chapter acknowledges that the drawing of a relationship between state aid, private schools and the promotion of social elitism was the more important culturalist argument because of its ability to elicit a popular response. However, the more important critique of state aid policy by anti-state-aiders was their reference to the ability of private schools to arbitrarily select and exclude clients. This showed that policy prescriptions assented to by governments were more important than cultural peculiarities. The critique of selectivity could have served as a central rallying point for unionised teachers in the anti-state-aid struggle because it coincided quite directly with private schools’ greater ability to choose or reject staff in a more ‘flexible’ manner than public schools. The latter type of analysis of selection and exclusion could have been the more fruitful one for the union because it set a framework that could reveal that employer rights in the workplace could be used to stifle broader citizen rights. ‘Cultural’ divisions then flowed from that situation. This was especially crucial when considering the position and status of intermediary representative
organisations such as unions. For this author, that was the nub of the state aid struggle and this chapter examines historical conjunctures where the disparity between industrial rights and citizen rights became most blatant.

The chapter also tracks through chronological case studies the significant alteration of employment conditions consequent upon the Federal government’s partial contracting-out of the Adult Migrant English Service (AMES) and the NSW government’s reorganisation of secondary schools through the implementation of its ‘collegiate’ system. The Teachers Federation campaigned vigorously against both, but was unable to significantly alter the direction of such changes. The partial contracting-out of AMES affected the number of members the Federation could draw from that education service and showed the full ramifications of the contracting-out of service provision that governments were moving towards in school education. The secondary school collegiate systems also had ramifications for the Federation’s ability to unite its members through the commonality of their working conditions. Both case studies reveal the ineffectiveness of the Federation when governments prosecuted their industrial relations strategy directly through altering working conditions and the structure of service provision, especially when the tactics employed targeted a minority membership of the Federation and when service provision was restructured in a piecemeal fashion. However, as is shown, these alterations in government policies, to the extent that they impacted on existing working conditions, could be contested in the formal industrial relations system by the Federation, while state aid, as such, could not. Both acted as parts of the same industrial relations strategy.

The most significant actions in relation to state aid and related issues taken by the Teachers Federation and elements within the Federation, such as the POPE group, were the publicising of the malaise in public schools and the parallel burgeoning of state aid. This was most effective when the Federation and POPE made explicit attempts to connect and coordinate campaigns with other organisations, especially the NSW Federation of Parents and Citizens Associations. The AEU Conference in Sydney in May including parent representatives, the first-ever joint Federation/P&Cs SkyChannel meeting in June, and the well-attended joint pre-election meeting at Penrith in August were high points of this cooperation. POPE’s continued confrontational demonstrations outside elite private schools, with AMES teachers and students outside the premises of the private service deliverers, and the growing campaign against the sale by the University of NSW of its St
George campus to Trinity Grammar drew in parent and community representatives, some politicians and achieved some increased campaigning from the Teachers Federation. However, the general paucity of media coverage of most of these actions and governments’ blithe responses meant that the state aid strategy was not diverted from its direction.

Issues of funding and relativities, of course, set the basis for the state aid struggle in 1998. MCEETYA’s National Report on Schooling in Australia 1998 for the first time tabulated total schools’ funding from all public and private sources. It showed that around Australia the ‘Independent’ schools (the category ‘Independent’ simply meant ‘non-Catholic-systemic’), when all sources of public and private funding were calculated, spent on average $5,918 per primary student and $9,991 per secondary student, to give an average of $8,566 per student. Government schools across Australia, on the other hand, spent $4,819 per primary student and $6,569 per secondary student, to give an average of $5,529 (MCEETYA 1998, in NSW DET 2001, p.2 table). Just on these broad figures, students who attended the wealthiest private ‘Independent’ schools and some of the least wealthy ‘Independent’ schools received more resources than the average public school student.

It is interesting to note the MCEETYA report’s concern to estimate the total resourcing available to schools.* Such a centralised accounting of total public and private resources for educational delivery was a recent phenomenon. Previously, governments tended to merely take account of their own inputs. Indeed, the ‘needs-based’ funding mechanism put in place in the early 1970s (known as the Economic Resource Index), while recognising the differential abilities of private school parents to fund their schools, actually rested on the idea that through some equivalence of inputs all students should have access to a minimally equivalent standard of schooling based on the level of resources in the average public school. This resource level was to be guaranteed by a significant (and increasing) amount of government funding to private schools. However, by providing funding to all schools, even those gathering private contributions already above the average public school’s level, ‘needs-based’ funding actually ignored to some extent parents’ capacity to pay for schooling. This long-standing settlement of state aid policy, radically expanded in

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* It was also ironic that at the same time as MCEETYA was collecting such a clear delineation of total school revenues the Commonwealth’s annual report on state aid had shrunk from 80 pages in 1997 to 25 pages in 1998. For the first time since such a report was issued in 1970, the figures for the funding of individual private schools had been deleted (DOGS 2001).
the Whitlam years, acted as an anomalous policy that could be exploited by governments to increase state aid.

There were two anomalies: firstly, the AGSRC was a distortion of the real cost of providing education for ‘typical’ (as against ‘average’) students and, secondly, the Federal and later State systems of state aid based on the Economic Resource Index scale, by funding even the wealthiest private schools that already commanded greater resources than the average public school, actually ignored in part the ‘needs based’ justification given for state aid. The 1998 MCEETYA report also indicated that Ministers of Education were interested in knowing exactly the total capacity of parents to pay. Whether the report was to act as a stocktake of the state aid struggle and a pointer to what still had to be achieved and the rate at which it had to be achieved was not made clear.

NSW government school students received less than $5,529 per capita on average (if private additions to public school revenue, such as school fees, were taken to be equivalent across all States and Territories) because the MCEETYA figure factored in the higher Commonwealth per capita recurrent funding that the larger States and the Northern Territory received to address their special needs. The averaging of school funding figures across all States and Territories by the Commonwealth was used as the basis to arrive at the Average Government Schools Recurrent Cost (AGSRC) figure. It was on the basis of this figure that private schools were proportionately funded. This was one of the distortions of official figures of school funding that worked in favour of private schools, especially in the more urbanised centres where selection could guarantee a greater proportion of ‘typical’ students in private schools and exclude students from private schools who required any academic remediation. That is, the provision of education in private schools could be rendered much cheaper than its provision in even ‘typical’ public schools.*

In terms of curriculum offerings, the higher total funding in many private schools enabled them to offer more specialist and extra-curricular activities. This tended to make private schools more attractive to some parents and differentiated them starkly from smaller

* Josephine Lonergan and Leo Dunne, executive director and president respectively of the Australian Parents Council (largely representing Catholic school parents), complained in 2000 that the AGSRC did not distort the funding relativities enough. They felt that the AGSRC calculation should include public school teachers’ superannuation and those schools’ privately-raised funds. A submission by the National Council of Independent Schools’ Associations to a
government high schools. The ‘attractiveness’ of private schools to a growing number of parents was obvious with the increasing drift of enrolments to those schools. Between 1996 and 1998 enrolments in public schools in NSW increased by 3,321, while numbers in private schools increased by 12,888. Between 1997 and 1998, there was a 0.1 per cent increase in enrolments in public schools, as against 2.2 per cent in private schools. Staff numbers rose 0.7 per cent in public schools between 1997-98 (perhaps indicating that total funding for public schools was not declining in this period), but private school staffing rose 2.6 per cent (ABS 1999, p.9 table). This was a clear indication of conditions improving in private schools at the most fundamental level: the ratio of teaching staff to students. This could form a perception among parents of the advantage of private schools through smaller class sizes.

The staff/student ratios set by the NSW Department of Education and Training for public high schools were calculated on a core of subjects, especially in the matriculation years, which meant that in some cases schools could not offer the curricular diversity that students and parents had come to expect from the expansion of the range and levels of school subjects over the previous 20 years. In particular, small government high schools, or at least those with low retention rates to matriculation level (most commonly schools in poorer working class and rural areas), were unable to offer a wide range of HSC subjects and levels. This lack of subject choice within some schools was used later in 1998 to justify NSW government plans to restructure the delivery of public secondary education. An inadequate centrally-imposed staffing formula around which teachers, students and schools were to be restructured would increase further the diversity of government school types, adding to the specialist, selective and single sex schools that already existed. This would hamper the Teachers Federation’s ability to find common ground amongst its members as variations in working conditions could become so great that organised mass action to improve those conditions could prove impossible.

The MCEETYA report showed no determination by ministers to seek to equalise the total resourcing levels between schools and sectors. The elite private/public school resourcing gap could be seen as an advantage by some Ministers of Education: at least some students were receiving a ‘quality’ education (if measured by total resourcing), or at least

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Senate committee in August 2000 went further. It wanted rent and workers’ compensation also included in the calculation of the AGSRC (Lonergan & Dunne 2000, p.7; NCISA 2000, p.9).
governments had been able to increase total resources available for schools by drawing on parents’ income. Marginson (1997a) reveals that private expenditure on educational services in Australia had grown from 0.35 per cent of GDP in 1975-76 to 0.55 per cent by 1992-93. Since the mid-1980s private expenditure accounted for the largest share of increase in total education expenditure. Total government expenditure on education as a proportion of GDP had fallen steadily since 1975-76 (p.212 table 9.1).

Allowing substantial (and ultimately visible) resource differentials to open up between public and private schools and publishing ‘League Tables’ of academic results were effective ways of enhancing the general public’s perception of profound differences between public and private schools. State aid and publicity about literacy crises could work together to widen the public perception of great differences between public and private schools with regard to school facilities, curriculum and the quality of teaching. Governments were prepared to spend increasing amounts of money on private schools and make public schools more ‘accountable’ to make the differences obvious to the ‘market’. This centrally-orchestrated dissemination of what passed for ‘information’ about school quality tended to be the main source of ‘market information’ for the ‘consumers’ of school education. Simplified measures of ‘quality’ were created around literacy and numeracy. Comber, Green, Lingard and Luke (1998) found that ‘literacy debates and the so-called “literacy crisis” are inextricable from a perceived crisis in public schooling’ (p.31).

This simply added to the crisis of confidence in public schools. School resource levels, curriculum offerings, academic achievement, discipline and the cultural or religious contribution of private schools were the main indicators used by governments and media commentators to differentiate public schools from private and subordinate public schools. These differentials were avidly promoted publicly by politicians in ‘code’. They were assisted by private school lobby groups and private school advertising, whose notions were carried by a largely compliant media. However, the extent of the public school ‘crisis’ was debatable, because even with the growing difference in total resources between public and private schools, only 0.3 per cent of students in NSW had transferred to the private system in 1997, and total enrolments in the public system had increased (Aquilina 1998a, pp.4&5).

The feeding of the ‘crisis’ to the media was carried out at the highest level. The first important public utterance around state aid issues in 1998, a speech by the NSW Director
General of School Education, Ken Boston, did not augur well for the future of recognisable public schools. Boston was reported to have ‘warned that the public education system faced increasing competition and teachers...would have to face the fact that the system no longer had a guaranteed monopoly.’ Boston stated, ‘All this means having to do more with less, or at least the same, and that means changing the way schools work’ (Raethel 1998a, p.12). It escaped Boston’s notice that the public system had never had a ‘guaranteed monopoly’ on school enrolments; private schools had always had a significant share. Nor did he point out the quite deliberate policy choices by governments to both deregulate and increase funding for private schools. Boston seemed to take these as unremarkable and would use the ‘crisis’ in public schools, at least as far as their deteriorating enrolment share was concerned, to strengthen bureaucratic control over the system.*

Such increased control, especially in finding fault with public schools and teachers, was encapsulated in Boston’s claim to be ‘changing the way schools work’. There seemed to be something wrong with public schools and they would have to change. At the same time as accepting under-resourcing, it could be assumed that local staffing flexibility was to be the other side of ‘change’, allowing ultimately a deregulated labour market for teachers. Public schools would have to change in terms of the conditions of teachers’ work and job security, Boston was saying, but redressing funding shortfalls was not part of the change agenda. Boston accepted the state aid policies of governments and seemed to suggest that public schools would have to change to be more like the private sector. But, anomalously, at a time when private school accountability was negligible and their state aid increasing, the changes in public schools would take the opposite direction: ‘to do more with less.’

A looming Federal election and Federal/State cost-shifting battles in the form of the Enrolment Benchmark Adjustment (EBA) were to abruptly change this government-inspired disparaging of public schools in late January 1998. The NSW government went so far as to call on the Federal government in the strongest terms for more funding at the time of the May Federal Budget. The bipartisan agreement on state aid was unravelling when cost-shifting made the provision of public education more expensive for the State government. Cost-shifting was the key dissension over educational provision between the

* Smyth and Shacklock (1998) comment, ‘We find that schools are now expected to do more with less and at the same time submit to “muscular forms of supervision” which place the work of teachers and students under closer scrutiny through centrally controlled mechanisms like standardised testing, performance management and criterion-referenced determinate status’ (p.194).
NSW government and the Commonwealth.* While state aid and its effects on public schools were part of broadly similar tactics used by both levels of government, if these tactics were to be driven by the Federal government at such a rapid and destabilising rate that they would potentially cause increased costs to the State government, then the State government would refuse to support the Commonwealth. At the same time, the running down of the public school system could cause voter discontent to the State Labor government which, after all, administered the public school system in NSW. This was especially fraught for a Labor government whose constituency included working class parents and unionists largely served by public schools. The state aid strategy was to proceed, but to ensure electoral success would avoid a return of the supposed ‘state aid battles’ of the 1960s and 1970s.† The Federal/State contretemps over the EBA and cost-shifting did not signal some clear division in their state aid strategies, but was dissension over the tactics used and the speed of their implementation. This meant that in the fiscal, electoral and ideological struggle oppositional forces, such as the Teachers Federation, had to be prevented from exploiting the differences between the governments.

The inauguration of the EBA caused some friction between the NSW Education Minister, John Aquilina, and his Federal counterpart, David Kemp. Aquilina wrote a five-page letter to Kemp on 23 January noting Aquilina’s concerns about the EBA. This was in response to a letter from DEETYA detailing the operation of the EBA received by Aquilina on 9 January. Aquilina noted that ‘all State and Territory Ministers at the June 12 [1997] meeting of the Ministerial Council on Employment, Education, Training and Youth Affairs (MCEETYA) expressed their concern that...the Federal government is trying to minimise its contribution by cost shifting between government and non government school systems.’ Aquilina felt that this ‘illogical and iniquitous policy’ of the EBA failed to provide some funding buffer in recognition of the greater cost to government of providing public

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* Kemp explicitly asserted in August 2000 that the EBA was ‘merely a mechanism to address cost-shifting between the two levels of government’ (Kemp 2000, p.4).

† These ‘state aid battles’ had become something of a legend within mainstream political parties, but historically had little real social impact beyond those parties. The ‘battles’ probably referred to the Federal Labor Party’s renewed commitment opposing state aid following the split of 1955. State aid would have been seen to be supporting the anti-Labor and pro-Catholic position of the Democratic Labor Party. The Federal Labor Party witnessed a hard-fought leadership contest between Arthur Calwell and Gough Whitlam across 1965-66, which saw the pro-state-aid Whitlam defeat the inconsistently anti-state-aid Calwell and fully commit to the provision of state aid. Similarly, Coalition PM Robert Menzies was reluctant to provide much more than state aid in the form of capital works funding in 1963. It could be supposed that for differing reasons Menzies had little more interest in giving recurrent state aid to Catholic systemic schools (and elite Protestant schools) than the Labor Party at that time. It took the accession of John Gorton
schooling in rural areas. It was ironic, according to Aquilina, that as the NSW government was launching its ‘A Proud History and a Secure Future’ celebrations of 150 years of public education in Australia, the Howard government would ‘threaten the very future of public education’ (Aquilina 1998a, p.1).

The imminent demise of public education was an exaggeration by Aquilina. In terms of all governments’ funding of public schools, the Productivity Commission showed that, adjusted for inflation, total government funding of public schools had risen by about $600 per capita in NSW between 1992-93 and 1996-97 (SCRCSSP 1999, p.xiii figure 4). This would have covered the cost of the slight increase in numbers in public schools over this period, and left a little over. However, Aquilina’s real and unstated grievances seemed to have been that the EBA would reduce further the proportion of Commonwealth to State funding for public schools (such as it was) and reduce the benefits flowing to the State’s coffers from savings made through a mass shift of students to the private sector; a sector considerably more funded by the Commonwealth than the State. Kemp’s support for the EBA could have been to prevent State governments cost-shifting an increasing proportion of educational provision back to the Commonwealth through enrolment drift to private schools. Public schools (and their teacher salaries) were to be residualised, but not at an unsustainable cost to the Commonwealth.

Aquilina (1998a) explicitly suggested that the rationale for the EBA was ‘to overcome election promises of increased funding to private schools that the Howard Government now cannot afford to keep.’ Rather than the Federal government increasing all school funding, but directing a burgeoning share to private schools, which had been the trend since the Whitlam years, the new trend inaugurated by the EBA was to shift funding within the Commonwealth schools’ budget from the public sector to the private sector. This trend would ‘downgrade standards in public schools.’ Aquilina noted the ‘technical errors’ of the EBA process, whereby the Federal clawback in funding by 50 per cent per capita for each student crossing to the private system (calculated to be $1,766 per student) from a 1996 enrolment-share base* (p.3) would, when added to the NSW government’s guaranteed 25 per cent per capita recurrent funding of private school students, contribute ‘to funding

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as Coalition PM for the first Federal recurrent state aid to flow in 1970 – and then it was only $50 per capita (see ALP 1966; Tucker 1972, p.39; Hogan 1978, p.81; Praetz 1982, p.14; McIntosh 1994).

* In 1996, 29.4 per cent of school students Australia-wide were in private schools (Milburn & Shiel 1998, p.A6).
these non government students to a massive 75 percent of the cost of enrolling a student in a NSW government school’ (p.2). The Minister also made the case that since the EBA was calculated on enrolment proportions and not absolute numbers, then, if a greater increase occurred in the private system relative to an increase in the public system, the EBA would still penalise the government system with an absolute reduction in funding. To exemplify this, the letter pointed to the expected cut in public school funding under the EBA in NSW in 1998 as being in the order of $6 million, while total student numbers in the public system actually would increase (p.3) by about 2,500 (Edsall 1998e). The EBA process would, in future years, ‘automatically lead[] to average government school student costs rising [for the State government] with Federal Government funding reducing at a greater rate.’ Aquilina calculated that the EBA would cost NSW more than $60 million by 2006 (Aquilina 1998a, p.4). He made no mention of his government’s countering such a reduction in Commonwealth public school funding by reducing the NSW Education Act’s guaranteed 25 per cent allocation of the recurrent schools budget to private schools.

As well as deploring the lack of consultation and the ignoring of MCEETYA, Aquilina expressed concern about the Federal government’s review of ERI funding, the adoption of the Common Youth Allowance scheme, the funding cuts to vocational education and training, and the abolition of the New Schools Policy (Aquilina 1998a, p.2). In so doing, Aquilina was expressing concern over the centralising of power to the Commonwealth as that level of government also cut funding to public institutions and shifted it to private organisations. Effective management of parts of the State’s economy was passing to another level of government and to the private sector. While the State government seemed to have little disquiet about the latter, forming as it did a centrepiece of its own policies, that the Federal government was driving change in public institutions while providing a diminishing proportion of funding to them seemed to have considerably more bearing.

Aquilina’s criticism of the abolition of the New Schools Policy unintentionally revived part of the rationale used in 1879 to abolish the dual public/private system of school funding established by the 1866 Act (see Barcan 1988, pp.106-107,139-148). ‘Without the new Schools Policy a situation exists whereby there can be an un-coordinated expansion of the non government school sector in a dual system of schooling where both government and non government schools are publicly funded.’ The Minister’s garbled point here was not that there was not already such a system of dual funding, but that there was ‘significant
potential for over-provision of school places’. This could lead to NSW ‘having school places in an area where they are least, rather than most needed’* (Aquilina 1998a, p.4). But, of course, this was precisely the way markets functioned: overprovision of goods or services in the portion of the market where the highest returns were guaranteed.

The sesquicentenary celebrations of public education in NSW (and Australia), supported by the Teachers Federation, were launched by Minister Aquilina on 28 January at Botany Public School (NSW DET 1998c, p.[2]). The theme ‘A proud history and a secure future’ apparently encapsulated ‘the achievements of public education’ with which ‘students can take their place in the workplace and community of the 21st century’ (NSW DET 1998a, p.3). The narrowness and listlessness of such a slogan tended to reinforce the lack of focus and action around the state aid issue by the government. In total, the Department was to spend $181,000 on the celebrations, which included $3,000 for each school district (there were about 40 schools per district). No mass advertising campaign was announced and the banners and flags with the theme message were confined to Bridge Street and Martin Place in the CBD. Some of the events for the sesquicentenary year included: in March the Director-General’s Awards for Excellent Service to Public Schools; a writers’ competition in April; a dinner for Principals in May; a national convention on the future of public education in August; a ‘toast to education’ at the Sydney Town Hall in September; and two more rounds of celebrating ‘excellence’: the Minister’s Awards for Excellence in Teaching (October), and the Minister’s Awards for Excellence for Student Achievement (December) (NSW DET 1998a, p.21). Such awards for ‘excellence’ could leave the impression that those not so awarded were less than ‘excellent’. Again, it was not a solid advertisement for public education that all teaching and school services were excellent and promoted the idea that pedagogical practice was in some way competitive. The niggardly funding of the celebrations also showed clearly the fiscal restraint underpinning government commitment to public schools. The sesquicentenary’s less than elevated media profile during 1998 showed that it was not a serious attempt to turn around negative perceptions of public education, nor to redress the funding imbalance between public and private schools. Indeed, the Federation’s involvement in the celebrations soon became even less than token.

* This was not a new observation. In 1987, Shirley Berg, President of the Federation of P&Cs, had noted that increased state aid posed the question, ‘if we can really afford to have a school on each corner of the street, all with the same aim of educating children, and none doing it as well as they should because of the splitting of income and the duplication of facilities’ (Susskind 1987, p.15).
The Department issued an information kit for schools to help with their celebrations. School or district committees could be established, the kit advised, and less than helpful suggestions about possible celebratory events, including a school ‘cocktail party’, were given in the kit by the Department’s Public Relations Directorate. More worryingly, the kit enjoined schools to ‘achieve a unified “corporate” look.’ This was to be done by labelling all publicly-distributed items of school material with the school’s logo and a message about the sesquicentenary (NSW DET 1998c, pp.[5-esp.9]). This was another idea borrowed from the private sector and a revival of the concept of the self-promotion of schools as they battled for market share through image management, last encountered during the Metherell years.

A signal example of the success of the authoritarian management of the education system was the partial contracting-out of the Adult Migrant English Service (AMES). That process relied on inter-governmental duplicity in what can only be characterised as a type of corruption. It also signalled the inadequacy of the Federation’s response to such a multi-layered attack. The result was a blow to Federation membership levels.* The result of the AMES dispute revealed important elements of the Federal government’s strategy in the state aid struggle – the creation of a de-unionised and contracted teaching workforce, or, at the very least, the marginalising from consideration of a strategically-positioned union like the Teachers Federation. The State Labor government was more hesitant in pursuing such a strategy, relying as it did in part on union electoral funding, but, significantly, not from the Teachers Federation.

The situation was that AMES was funded by the Commonwealth, but administered by the NSW government. AMES teachers were covered by the Federation. The Federal government through the Department of Immigration and Multicultural Affairs called for tenders to provide the English courses taught by AMES and in December 1997 accepted the tender of the private provider, Australian Centre for Languages (ACL). Sixty per cent of AMES provision in Sydney was contracted-out. The NSW government refused to pick up the shortfall in funding for the service. This was despite some fine words being said

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* In 1998, the Federation had 452 full-time members drawn from AMES and 84 casual/part-time members. This fell to 150 full-time members and 23 casual/part-time members in 1999, a loss of 363 financial members (NSWTF 1999, p.37 table). By 2001, there were just 112 full-time and 21 casual/part-time AMES members of the Teachers Federation (NSWTF 2002, p.48 table).
(belatedly) in the NSW Parliament by Minister Aquilina (even in support of the Teachers Federation’s stand) condemning the Federal government’s action.

Aquilina noted the controversial nature of the ACL tendering process, the loss of work for 500 AMES teachers, and the questions over whether ACL would provide a service of equal quality to that provided by AMES. The latter concern was in reference to ACL’s earlier conviction for misleading students in its advertising and the results of an ELICOS survey in 1996 that showed that less than 40 per cent of Korean, Japanese and Taiwanese students were satisfied with their ELICOS course provided by organisations such as ACL. Aquilina went so far as to state, ‘I share a lot of the concerns expressed by the New South Wales Teachers Federation about [English language] programs and the equity of providing vulnerable and disadvantaged people with a top-quality English service’ (Aquilina 1998e). This showed that the Federation and Minister could find some common ground when the Commonwealth government’s fiscal strategy of by-passing State public service provision was potentially detrimental to the NSW government. It also pointed up the tactics of the Federal government in proceeding most rapidly in contracting-out those parts of state provision which served the most fragmented and most politically naïve constituency and those least able to resist, such as non-English-speaking-background recently-arrived migrants and refugees and against a section of the teaching workforce that formed a small minority within the ranks of the Federation.

The Federation campaigned against the partial contracting-out of AMES in conjunction with the AEU in February 1998, but notices to quit premises and redundancies had already been issued. Lesley Carnus, in an article in Education, called the events at AMES the beginning of ‘the privatisation of public education in NSW’ (Carnus 1998, p.1), but this was more the continuation of the contracting-out process and made more public space available to private providers (most of the AMES teaching centres were leased from or provided freely by the State government). After July 1, when the new contracts came into force, the NSW government did withdraw some of its provision of teaching sites, forcing ACL to rent other premises.

The focus of the Federation’s campaigns throughout 1998 was the Howard government’s education funding policies. The question of state aid always raised itself in such circumstances, especially with the implementation of the EBA, as the flip-side of the
inadequate funding of public schools. The Teachers Federation’s campaign began with the ‘EBA Day’ protests led by the AEU. The campaign anticipated the calling of a pre-term election and this proved accurate when the Howard government went to the polls in October 1998.

On 25 February, when the EBA came into effect, Sue Simpson, Federation President, issued a media release stating that ‘the supporters of public education are saying “enough is enough”. The situation is out of control.’ According to Simpson, even with an increase in student numbers of 2,800 in NSW public schools, the EBA still would take around $6 million from the system. Simpson mentioned the sesquicentenary of public education and reminded the Howard government that ‘public schools were established to diminish sectarian bitterness and ensure that both the haves and the have nots could receive a good education.’ She accused the Federal government of turning back the clock and ‘robbing public schools’ to accomplish their retrograde cultural agenda. The funding of the elite private schools ‘smacks of the most gross political patronage’ and, furthermore, the government’s future funding priorities were shrouded in secrecy. DEETYA was trialing ‘delivering even more money to private schools.’ Simpson’s most important point was: ‘Why should public school students subsidise the elite?’ (Simpson 1998). This statement was consistent with the Federation’s new narrower policy of reversing the public subsidisation of only the richest private schools.

The Federation organised on 26 February an ‘anti-EBA Mystery Bus Tour’ of some private schools in Sydney. The bus was to have carried representatives from the Federation of P&Cs, NSW Federation of School Community Organisations (FOSCO), the Aboriginal Education Consultative Group (AECG), the Ethnic Communities Council, National Tertiary Education Union, Public Service Association (PSA), the NSW Labor Council and State politicians (Simpson 1998). In the end, the AECG, PSA and NSW Labor Council were not represented, and only a couple of ALP parliamentary staffers, rather than politicians, attended. Members of the community group Promotion Of Public Education (POPE), although not invited, were present (Education 1998a, p.28.). A Channel 9

* At the time it was not clear what this ‘trial’ was. It was later revealed in 1999 to be the replacement of the Economic Resource Index system for state aid with the Socio-Economic Status Index system.

† However, when Simpson was asked on an ABC radio program in March 2001 whether Federation wanted the government to stop funding private schools ‘in all shapes and forms’, she replied, ‘Well, that’s certainly the ideal position of the Teachers Federation’ (Jackson 2001, p.1).
television crew was on board and ABC TV and Radio met the delegation at its conclusion and conducted interviews with Sue Simpson and Rodney Molesworth, Media Officer of the Federation of P&Cs. A short excerpt from these interviews was aired on the ABC, but not on Channel 9.

The ‘Mystery Tour’ took in some private schools in the Inner City and Inner West of Sydney, with information about the schools provided by Federation Research Officer Sally Edsall. The first school was the Athena School in Balmain, run by the Church of Scientology. The abolition of the New Schools Policy meant that with 37 students it had become eligible for government funding (the previous minimum had been 50 primary pupils, or 20 students in each secondary Year). As a Category 3 school, it had received $37,335 from State and Federal governments in 1996. It was housed in a former public primary school that had been bought a couple of years earlier (Edsall 1998d).

The tour concluded at Trinity Grammar School in Summer Hill, centred in a public building dating from the late 1920s. It would seem that the sale of public assets was a recurring historical event. As a Category 1 school with an enrolment of 1,644, it received about $1.5 million in government funding in 1998. The school fees ranged from $5,100 for a Kindergarten enrolment, to $10,020 for Year 12, with additional annual boarding fees of $9,615. A non-refundable enrolment fee of $1,250 also applied. The school held various development funds worth, according to the Australian Securities Commission, $2,656,183 at 31 December 1996 (Edsall 1998d) and owned three campuses, including the ‘Outdoor Education Centre at Pine Bluff on the Abercrombie River’, a ‘boutique’ boarding house of 72 beds, and, following ‘an extensive building program...in recent years’, had ‘the most modern’ music and science facilities and an eight-lane indoor swimming pool (Choosing a school for your child 1998/9, pp.81-82).

Included in the information provided by the Federation for the EBA Day tour were the Board of Studies school registration details for the Bethel Learning Centre at Macquarie Fields in Sydney’s south-west. This school was established in 1997 as an offshoot of the Bethel Bible Baptist Church in Queensland. Its ten infants and primary students were housed in a Scout Hall at Macquarie Fields and none of its three teaching staff had recognised NSW teaching qualifications. The application for registration described its curriculum as ‘Bible based, is fundamental and loyal to the scriptures; Individualised,
personalised, self-motivating, self-instructional, continuous progress learning, utilising the most advanced educational techniques on the basic traditional philosophy of discipline.’

The not-quite-literate statement concluded: ‘Having directed our students to the truths found in the Bible, we are training them to lead outstanding lives in our society – for them to be able to influence others to dedicate their lives for the glory of God – our maker.’ The statement for registration made no reference to compliance with the NSW Board of Studies curriculum. In this regard, the Board of Studies inspector, Paul Hewitt, in a December 1997 report on the school noted that ‘The school’s curriculum is based on Accelerated Christian Education materials. The limitations of these materials in satisfying the minimum curriculum requirements was discussed’ (Arellano 1997). The ‘limitations’ of Accelerated Christian Education materials was a considerable understatement. According to Frances Patterson, they were anti-public education, anti-welfarist, anti-abortion, ‘biased toward an overwhelmingly conservative point of view on social, political, and religious matters’ and ‘indistinguishable from the literature of the Religious Right’* (Patterson 2001/2002a, pp.1-5). The Board inspector noted, ‘They...assure that programming to cover all [Board] curriculum requirements will be a priority for 1998,’ but claimed under ‘Strengths of the School’: ‘The church, family and school strongly share a philosophy of education.... The school is viewed as a ministry of the church, staff serving on a voluntary basis’, without saying under what Board of Studies or Education Act criteria these were ‘strengths’ or why. These were the only ones listed. The inspector recommended that the school be registered for one year (Arellano 1997). Consequently, the Board of Studies recommended the registration to the Minister in December 1997 (NSW BOS 1997).

More broadly on private school registrations, the Melbourne Age reported (Milburn & Shiel 1998, pp.7&A6; see also Van Leeuwen 1998, p.4) that thirty eight new private schools had been established across Australia, while public schools had decreased by 59 in the previous year. The article suggested that the type of education provided by the two sectors of schooling was becoming distinct. Professor Don Anderson of the Australian

* Alan Barcan (1988) describes the origin and form of Accelerated Christian Education (ACE) materials and pedagogy as they appeared in NSW in the late 1970s. The movement originated with Donald Howard in Texas, USA, in 1970. The first ACE school was established in 1977 at Blackheath in NSW. By 1979, 33 schools were using the materials and by 1983, at least 73 across Australia. Until 1980, all teaching materials came from the United States. ‘Children spent almost all their time sitting in separate compartments arranged in rows like library carrels, working their way through booklets of programmed instruction – a marked contrast with informal activity methods…. Discipline was strict and included corporal punishment.’ Barcan notes the growth of the similarly-inclined Christian Community Schools to 11 by 1983 in NSW (p.298).
National University was quoted as saying, ‘public schools are headed for a residual role in catering for the children of families unable to afford fees.’ Anderson gave a quasi-sociological analysis of those fleeing public schools and drew out the implications:

the flight of children from articulate, upwardly mobile families out of the public school system meant Government schools were losing their advocates while senior bureaucrats and politicians charged with overseeing the system rarely had a personal connection with it any more. He said public schools had the toughest educational assignment of all schools. They served mostly developing areas in an era of ballooning student retention rates with diminished resources and Government policies that implicitly said private was better than public. (Milburn & Shiel 1998, p.A6)

While aspects of this analysis were probably accurate, or as accurate as estimations of people’s perceptions in regard to school choice could be, the most notable increase in enrolments in the private sector was in the burgeoning small ‘Christian’ (usually Baptist) schools that tended to serve, as in the case of the Bethel Learning Centre, less advantaged and, in some cases, disadvantaged populations. The clients of such schools were possibly the most ‘aspirational’ of the disadvantaged, but were disadvantaged nevertheless. This posed problems for a class-based opposition to state aid, since private schools drew clientele from all sections of society, if unevenly, not merely the ‘middle class’. Different private schools were both fragmenting and reflecting the fragmentation of working class communities along lines of religious, educational and social values. These were difficult to quantify, or even qualify, and led to the misrepresentation and misreading of the reasons for private school choice by various commentators.

The Daily Telegraph’s education commentator, former public school Principal Maralyn Parker, on 25 March noted the unfairness of the EBA. She gave a summary of the way the ‘complex’ EBA formula worked and went on to say that ‘the reality is that starting this year public schools will get less.’ Parker observed that

each day as I pass the stylish new prep school being built at the nearby air-conditioned, poolside private high school, the unfairness of [the EBA] is patently obvious.

Then there is the sudden proliferation of small private schools, mainly fringe religious schools, that have appeared since the Federal Government made access to funding easier.

Nothing wrong with that either, except they are adding significantly to the growth in enrolments in private schools. (Parker 1998, p.18)

Parker’s qualification of her argument made it difficult to know exactly where she stood on state aid, except that ‘private schools should continue to get their share of the tax dollars.’
But this was the aspect of the struggle that was usually overlooked by many commentators on state aid: what was the share of government funding that private schools should receive? Parker concluded, ‘But to increase funding to private schools at the cost of downgrading the public system is madness’ (Parker 1998, p.18). However, as the EBA was based on enrolment shares between the public and private sectors and only shifted a proportion of the funds when that share shifted to the private sector, then it was not clear that the EBA was causing the ‘downgrading’ of the public system, merely severely reducing the rate of increase in funding to that system. Parker’s argument was typical of those commentators who supported state aid, but also felt that the adequate provision of public education was important (although for some this meant no more than ‘civilising’ the working class). The problem was, as shown here by Parker’s equivocation around the relationship between state aid and the EBA, that if private schools were to have increased state aid, then the funding had to come from the public schools in one way or another, for the Federal government had made quite clear that Australia could not have both a well-resourced public school sector and a well-resourced private school sector.

Minister Aquilina dropped a bombshell on 25 March 1998: *Widening Horizons - A strategy for expanding educational opportunities in Sydney’s west*. This was a plan to create NSW’s first ‘collegiate group’ of schools, consisting of a newly-constructed Year 11 and 12 ‘Senior College’ fed by three local junior high schools that were currently Year 7 to 12 comprehensives (NSW DET 1998b). Very little educational justification was given for this departure from the public comprehensive high school model, ubiquitous in NSW since the Wyndham reforms of the early 1960s. The new proposal had little if any educational justification and the less-accessible, non-local school campuses required extended travel times and provided more ‘exit points’ for students to break off their public schooling and move to private schools. More disconcertingly from the Federation’s point of view, the proposed model would fragment conditions between more difficult teaching in junior high schools and less difficult teaching in senior highs, diminishing teacher commonality and therefore union unity. The Federation’s practical response, however, was narrowed to issues of tenure, staffing and staff rotation rather than industrially opposing the restructure as a boost to private schools and an attack on its representative ability.
The educational justification for the school restructure was rather slight.* Only three points were made in the Departmental plan about the educational benefits of the senior school, two relating to expanded subject offerings at the new school and one about an improved ‘relationship between the student and the teacher’ (NSW DET 1998b, p.7). According to a Ministerial press release, the Senior College, to be part of the ‘Nirimba Collegiate Group’ named after the decommissioned naval base that formed the Senior College’s site, would ‘enable broader and more rigorous’ curriculum options. The proximity of a TAFE and a university would expand ‘academic and vocational opportunities’ (Aquilina 1998c, p.1). This last particular ‘improvement’ had not been canvassed in the Departmental plan and was already possible in most high schools. The Departmental plan made no reference to any research showing the failure of the comprehensive school model with regard to the above points. As for research showing the success of senior high schools, there was one brief reference to a Departmental report about St Mary’s Senior High School that had not been completed and from which no conclusions were drawn (NSW DET 1998b, p.4).

The benefits of the junior high schools were covered in the Departmental plan by nine dot points. These used references to flexible curriculum and flexible teaching (which tended to contradict the Department’s push towards increasingly prescriptive syllabi and external testing), staff and student ‘collaboration’ (the document did not say in what way), ‘basic skills acquisition’ (a reiteration of the populist ‘crisis in standards’ assault on public schools), more student leadership opportunities, and a stronger orientation towards student welfare (hopefully this was already the case in all schools). The educational arguments were simply a string of contemporaneous and largely empty jargon that either merely restated what was happening already in any public school or contradicted the thrust of recent policy. The more important point was made when it was stated that the junior schools would ‘allow a special focus on the middle years of schooling and enable resources to be directed to junior students rather than being shared to support small senior classes’ (Aquilina 1998c, p.2). This admission went some way towards revealing the real purpose of the new collegiate structure.

* Apple (1999a) comments, ‘not only are [current school] policies based on a romanticized…past, these reforms have not been notable for their grounding in research findings. Indeed, when research has been used, it has either served as a rhetoric of justification for preconceived beliefs about the efficacy of markets or regimes of tight accountability’ (p.2).
The important point was not about the resources for the junior schools, but the staff/student ratio in the senior school. By centralising senior students on one campus, class sizes could be expanded to their maximum, solving the problem in the comprehensive model where those public schools with low retention of students to the matriculation years still had to provide enough teachers to teach the HSC core subjects (usually across eight ‘Key Learning Areas’), no matter how small those classes were. The Senior College model would dramatically increase that low staff/student ratio. It would also broaden the potential choice of subjects and subject levels by making more ‘viable’ numbers for classes within the existing staffing formula. Ironically, the schools and students that had benefited most from low staff/student ratios in senior years tended to be those schools serving the most disadvantaged areas, because students there were more likely not to proceed in their schooling beyond Years 10 or 11. The collegiate plan was directed precisely at those suburbs in Aquilina’s electorate where this was the case and sold to the public as offering choice, while the equity issue of class size was ignored. The senior school at Nirrimba eventually would have average class sizes larger than the original comprehensives and reduce the per capita staffing cost for HSC courses. It was fundamentally a cost-saving measure and also sought to avoid the projected decline in staff availability.

More worryingly from a state aid position, the senior public school would share facilities with a newly-constructed senior Catholic college on the same site. ‘Terra Sancta Catholic College’, as it was to be called, only received one passing reference in the Ministerial news release (Aquilina 1998c, p.1) and only two mentions in the nine page Departmental plan (NSW DET 1998b, p.5). The problems that siting competitive systems of schools together may have caused regarding the poaching of public school teachers* (through the higher Catholic salaries) or students (through scholarships†) by the Catholic college were not canvassed in the document, nor were the cost savings to the public system that such sharing would permit.

* In January 2001, ‘The president of the NSW Teachers Federation, Ms Sue Simpson, said private schools had been actively poaching experienced teachers’ (Baird 2001, p.1).

† In part, the scholarship system for private schools was highly centralised. Each year in May, the Australian Council for Educational Research, a body receiving substantial government research funding, set a standardised test as a basis for private schools to offer academic scholarships. At the same time, the private company, Australian Scholarship Group (ASG), had provided scholarship, financial planning and savings plan advice for the 250,000 private school parents that had used its services since 1974. The ASG estimated average annual private school fees in 2001 at $9,000 (Byrnes 2001, p.10).
Aquilina’s attachment to Catholic education, where he and his children were educated (Raethel 1999a, p.8), and the location of the Nirimba Collegiate in his electorate no doubt also lent weight to his determination to see the project through. The news release stated that ‘school communities will be involved in a comprehensive consultation process during 1998’, but also referred to the ‘new Senior College now under construction and opening in 1999’ (Aquilina 1998c, p.1). The fact that the news release was the first announcement of the plan and stated that construction of the school had begun, tended to undermine community consultation. In fact, construction of the school had not begun, but the pre-emptive statement in the document was probably intended to avoid serious community input. Affected school staff were to have ‘representatives’ form a working party to ‘canvas’ [sic] staff opinion and report to the Department before the end of Term 2 1998, in three months’ time (NSW DET 1998d, p.2).

The immediate issue that the Federation had with the collegiate system was to achieve a staffing agreement that clarified the ‘options to guarantee professional choice’ outlined in the Departmental plan. This ‘choice’ included ‘priority status for a three-year period for appropriately qualified staff to be appointed to the Senior College’ from the existing schools. Staff also could apply for a transfer out of the Nirimba Collegiate group. And ‘the opportunity to work at both their current high school or the Senior College, Nirimba might also exist’ (NSW DET 1998b, p.8). In their negotiations with the Department, the Federation had overlooked the equity issue of senior class sizes and the public/private interface that the Nirimba project would signal. Federation officials merely sought to have their right to some input around staffing levels and staff transfer matters acknowledged by the government.* The restructuring of secondary schooling had also allowed more-or-less arbitrary decisions to be made about staffing procedures. While the Federation eventually achieved an agreement with the Department to maintain existing staffing levels across the Collegiate group, the restructuring set a precedent for such changes to be used to reduce staffing levels and potentially to make some staff redundant.

* Dudley and Vidovich (1995) characterise this situation as flowing from the new type of managerialism operating in Australian education after 1987: ‘The education community was limited to operating within a policy framework which was essentially not negotiable except with respect to detail, rather than being active participants in developing the policy. Consultation with the education community was restricted to issues of implementation, rather than substantive issues of principle or the direction of policy’ (p.46).
March 25 saw the first major action by the Federation over the partial contracting-out of AMES. One thousand people rallied outside the Prime Minister’s office in Phillip Street, Sydney, during a day-long strike by AMES teachers. The Federation had organised three ferries to take the protesters to the Prime Minister’s residence, Kirribilli House, on the northern Harbour foreshores, where the rally continued. Letters were posted in a mock mail box to the P.M., but the protest received little media coverage (Campbell 1998; Sexton 1998). The Federation had run up against a government determined to contract-out educational provision and finding powerful or influential supporters in established institutions proved difficult.

The Federation-centred community group, Promotion Of Public Education (POPE), took its concerns over state aid directly to the private schools on 26 March. This was the beginning of a more activist approach within the Federation concerned to focus on state aid, yet to act in a tactically more effective manner, despite any reluctance of the Federation’s leadership. POPE’s activism was aimed at institutions more immediately vulnerable to public disquiet than politicians. Later, Education carried a picture and caption of POPE’s protest outside the elite private Newington College at Stanmore. The caption read in part that the 30 demonstrators ‘were angry about the privatisation of AMES, attacks on TAFE class sizes and the Federal Government’s increased funding of private schools via the Enrolment Benchmark Adjustment mechanism’ (Education, 6-4-1998, p.8). This type of independent public activism was new in the state aid struggle and more confrontational than any protest organised by the Federation, being aimed at the direct recipients of state aid rather than the government.

Meanwhile, the strongest advocate for a voucher system of school funding, the erstwhile author of the Kennett Coalition government’s Schools of the Future report, Professor Brian Caldwell of Melbourne University, proposed in his latest book (1998) that ‘all schools – Catholic, private and state – should be funded on the same basis.’ Differential funding of schools ‘might have made sense when society was divided along religious and class lines but not now. Who owns and runs schools should be irrelevant.’ In Caldwell’s proposed voucher system the poorest schools would be topped up with extra government funding on ‘the basis of student need’, with ‘all schools...able to charge fees, but...government schools should not charge fees for tuition...’ (Herald Sun 1998, p.47). For Caldwell, who supported exclusive elite and/or religious private schools, the problem was that a free market in
education suited some public schools, especially the selectives, who would probably out-compete the elite private schools both in the matriculation race and in the ‘free’ market for customers through lower fees. Therefore, the market could not be permitted to operate to the detriment of the ‘success’ of the elite private schools, nor place them under too much competition. Mechanisms had to constrain the public system, which forced Caldwell to propose the conundrum that ‘all schools should be able to charge fees, but...government schools should not charge fees.’ Thus, elite and exclusive private schools should be able to charge fees to markedly improve their educational provision, even though all schools should be ‘seen as “public” schools educating the nation’s children.’* Caldwell’s only restriction on the operation of private schools was that ‘schools which accept public money should have the same curriculum, assessment and accountability guidelines as state schools...’ (*Herald Sun* 1998, p.47). In fact, the first two ‘guidelines’ for private schools, centralised curriculum and assessment, were already something of a reality in the various State systems. And, of course, what was to be rendered accountable was a moveable feast for the state aid lobby.

The question Caldwell avoided here was who would set those guidelines (in Victoria it was Caldwell in his *Schools of the Future* policy blueprint) and would they use the Christian-fundamentalist often volunteer-run private schools as the benchmark for resourcing, teacher qualifications and teacher salaries, and the elite private schools as the template for test-based curriculum accountability? The former could be used to downgrade teacher salaries, conditions and qualifications in public schools if a common teaching labour pool were created, especially with a basic voucher system constraining teacher salaries there, and with the latter an elite academic curriculum could be used to marginalise working class knowledge and abilities in favour of the elite ‘canon’, rendering matriculation results even more skewed towards elite success. * Perhaps the thrust of Caldwell’s vision was put by

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* Caldwell made the same claim on an ABC Radio National program on 19 July 1998. As well, the program noted that ‘from January 1999, [Victoria’s public] schools [can] hire and fire their own staff and greatly expand their business dealings.’ Academic Jill Blackmore claimed on the same program that the negative sides to the Victorian development were ‘that [schools] are taking the responsibility and the blame for what the system is abrogating in terms of adequately resourcing the schools’ and that ‘it’s at the expense of teachers’: ‘12 per cent of them are now on contract’ (ABC RN 1998, pp.2,3,6).

* Tom Griffiths (2000a) finds that while his survey elicited contradictory responses from students about their understanding of the nature of society and schooling, adolescents did want to know about structural problems of society and politics. ‘The data from the youth survey does show students providing contradictory responses, on the one hand accepting the official rhetoric of meritocracy and individual responsibility, while simultaneously acknowledging structural barriers to educational and socio-economic success, and questioning the very nature of our political system and its capacity to deal with contemporary social issues. Students want to know more about both the positive and
him in the Times Education Supplement in June 1999. As well as reiterating all the above, he called for ‘professional education associations to get behind the cause of world-class schools – we need a “new unionism”’ (Caldwell 1999). The irony here was that the ‘world-class’ schools would be the elite privates and calls for public teacher union support were naïve to say the least. However, for Caldwell perhaps such an alliance seemed reasonable when compared to the Federal government’s call for no union involvement in educational decision-making. The internal inconsistencies and support for gross educational inequities that underpinned Caldwell’s position were the ‘present absences’ lying beneath the arguments of the supporters of state aid, but their very absence disguised by highly selective language (what is generally called ‘spin’) meant that ‘factual’ media reporting could not pick up the ulterior meanings. By contrast, commentators opposed to state aid had to engage in a level and type of argument which Caldwell and his ilk could correctly declare did not seem to directly address the issues raised by them, usually centred on notions of ‘choice’ and ‘standards’.

On 2 April, Federation Officers met with Federal Immigration Minister Philip Ruddock, whose department funded AMES and tendered its contracting-out in 1997. He said that he would not abandon the tender process nor, according to the Federation, ‘stop telling lies to justify it.’ On the same day, the Officers also met Ruddock’s Shadow Minister, Martin Ferguson, who said that a Labor government would not be able to revoke the contracts, but he would ask questions in parliament and assist the Federation with information. The NSW Legislative Assembly voted to condemn the tendering, but Minister Aquilina refused to appeal the decision through the Administrative Appeals Tribunal and did not meet Federation officials to discuss the matter. In April the Commonwealth Ombudsman rejected the Federation’s application to delay the implementation of the contracts. The Federation had pointed to the potential conflict of interest in the close connection between former officials of the Department of Immigration and Multicultural Affairs (DIMA) and the directors of the successful tenderer, ACL, two of whose directors were former DIMA officials. One of the directors was also a director of the National ELICOS Accreditation Scheme, which was awarded the contract to monitor ACL’s delivery of DIMA-funded courses (NSWTF 1998a; Sexton 1998). It appeared that where contracting-out was an imperative, conflict of interest or corruption were of no concern to the relevant authorities.

negative aspects of global issues, while a large proportion see direct, and even illegal, action as a viable method of achieving some social good.’
The incident here merely underlined the necessary condition for contracting-out education by making the provider less accountable and transparent than similar public services. These were elements of authoritarianism. The state’s agencies that supposedly oversaw institutional transparency had to retreat from the pursuit of meaningful top-down accountability to allow the successful progress of the state aid strategy.

The 6 April edition of *Education* published Sally Edsall’s research into the finances of the Catholic Schools Office in the Maitland-Newcastle Diocese. A complete table of income and expenditure showed an operating surplus for the diocesan schools’ office of $1,923,300 for 1997. Bishop Malone reported that part of this surplus was due to ‘favourable changes in government funding.’ State and Commonwealth subsidies of $55,189,472 accounted for 94.4 per cent of all the diocesan schools’ per capita expenditure (Edsall 1998a, p.8). If those schools were run with similar staffing levels and material resources to the typical public school (and there was no evidence that they were not), then, because of the Catholic Schools Office’s minimal need to provide for special education which inflated the public school ‘average’ funding figure, Catholic claims that their subsidies only accounted for about 80 per cent of the per capita grant to public schools were fallacious. This was especially the case if comparison were made between ‘typical’ schools in each system, rather than ‘average’ schools, that is, a comparison of the median rather than the mean.

The Catholic system benefited from the government’s averaging of per capita funding through the AGSRC formula as the benchmark for the calculation of the relativity of their subsidies. What the average hid was the cost of the more expensive special units for sick, disabled or disturbed children and of the other special programs within the public system in which staff/student ratios tended to be far lower than in those public schools that did not cater for special needs.* Very few Catholic systemic schools catered for special needs students and few had special needs units, which were the more expensive areas of public school provision. The ‘average’ student in the Catholic system was less needy than the ‘average’ student in the public system, yet the funding subsidies made no adjustment for this. The Maitland-Newcastle figures showed that Category 10 (mostly Catholic systemic)

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* Rodney Molesworth, publicity officer with the NSW Federation of P&Cs, noted the distortion of the average funding figure given by governments for typical public school provision. He commented that the ‘amount of money spent on a child [in a public high school] without those [special needs or DSP] difficulties could be as low as $4,000’, in 1999 (Patty 1999, p.41).
schools most probably were receiving almost 95 per cent of the cost of educating a ‘typical’ public school student and, as Edsall noted, those figures did not include government capital works grants or loan subsidies, nor student transportation subsidies. From Edsall’s figures it could be concluded that a voucher system already existed of virtually equivalent per capita funding for Category 10 to 12 private schools and public schools that ran no special programs (Edsall 1998a, p.8).

A feature article published in the *Sydney Morning Herald* profiled the growth of private schools in Sydney’s expanding and affluent outer-north-western suburbs. In it, Philip Bryson, the Principal of the ten-year-old William Clarke College, revealed his school’s guiding principle: ‘We have been well aware that if we provide a caring, supporting, uniform-wearing well-disciplined environment but the TER [matriculation score] is not good, we go out of business. It is as simple as that’ (Raethel 1998d, p.13). The *Herald* made no comment on the stark admission, but the remark showed that the League Tables of HSC results were probably the most important public accountability device for private schools. The fetishisation by politicians, the media and private school commentators of the TER as the key accountability measure obscured the underlying means by which matriculation results were achieved. These included private schools’ ability to boost their HSC scores through academic selectivity and exclusion and by providing scholarships for academically-able students. The fetishised TER also distracted scrutiny from the superior resources flowing from increased state aid and from private schools’ ability to establish schools in areas in which the children of professionals were over-represented, as was the case with William Clarke College. Far from being held accountable for their contribution to community life, private schools were only openly accountable for the degree of their selectivity and their resulting success as matriculation factories. The TER fetish simply exacerbated all schools’ attempts at academic selection and, consequently, exclusion.

The confrontational style of POPE was adopted by the Federation’s March Council which voted to hold a peaceful demonstration at the Greater Public Schools (GPS) annual Head of the River Regatta in April. The GPS was the elite ‘club’ of the most elite private schools. However, the public selective Sydney Boys High was able to enter sculling teams in the event and were the only public school representatives ever allowed into the contest, although they had never won the premier event, the eights. The Penrith and Lower Blue Mountains Teachers’ Associations of the Federation supplied most of the participants for
the small protest. Their placards carried messages such as, ‘Danger: Floating Scum’ and ‘No one is as greedy as the rich.’ The protesters were ‘generally greeted with derision’ and with ‘some eggs and the unseemly presentation of bare buttocks through car windows’ from the participants. Arriving Sydney Boys High students and staff cheered the protesters, but as usual the eights went to a private school (Barnes 1998).

The Australian added to the call for the contracting-out of education. ‘Primary and secondary schools should also be sold to ensure more efficient management,’ according to journalist Michael Bachelard, paraphrasing Michael Porter, Tasman Institute* chief executive and one-time consultant to the Victorian Kennett government. He continued, ‘education would be the area of “most benefit” for further privatisation.’ The article quoted Michael Warby, Institute of Public Affairs Review editor (a position formerly held by David Kemp), as saying, ‘You could replace most of DEET with a small office in Finance writing cheques.’ He concluded by saying that ‘initial public opposition to privatisations was usually followed by acceptance’ (Bachelard 1998, p.4). The debate on so-called privatisation had moved such that these extreme arguments were presented as legitimate, but hardline nationalisers of schools where given no editorial space or legitimacy. Instead, the media debate was framed by more-or-less open Friedmanites on the one side and apologists for an inadequate public system on the other.

Even so, such apologetics tended to take competition between school systems as unremarkable. Patrick Lawnham asked in the same edition of the Australian whether ‘the social advantages of private schooling – as opposed to a broad socialisation – are assumed to be real by most parents considering the choice.’ Lawnham commented that a survey of ‘governments, schools and educators indicates more rivalry between schools within and between the public and private systems, [and] increased sharing of the same student catchment between Catholic parochial [systemic] and other low-fee private schools and the public systems….’. He went on to point out that very few extensive studies comparing the quality of public and private systems had been made. One by Trevor Williams of the Australian Council for Educational Research and Peter Carpenter of the Institute of Catholic Education carried out in 1987 looked at whether differences in student outcomes between public and private systems arose from ‘better education’ or ‘selective

* Andrew Moore (1995) notes that the Tasman Institute was a right-wing think tank that ‘commonly focus[ed] on the New Right economic agenda’ (p.131).
socioeconomic recruitment’. Private non-Catholic schools tended to produce the highest post-school income earners, but it was not clear whether this was a result of educational standards in those schools or selective recruitment. Professor Peter Cuttance, head of Sydney University’s School of Educational Psychology, Measurement and Technology, emphasised the links between private schools and employers: ‘For non-government schools the advantage is a bit like Harvard, not academic but in patronage. Some schools have a high representation on boards and in professions.’ Cuttance’s explanation for private school matriculation performance was that ‘private students have crammed more and their TERs are closer to the maximum potential.’ Lawnham reported that there was an ‘often-voiced worry for equity-minded educators’ that the creaming off of high-achieving students from some public schools would produce ‘loser’ schools. Alan Laughlin, Assistant Director General of the NSW Department of Education and Training, responded, ‘I don’t know of any complaint of poaching’ (Lawnham 1998, p.9), which was perhaps the case, if the institutionalised poaching by public selective schools through the selective schools entrance exam and by elite private schools through scholarships were ignored. Laughlin’s position was an example of the ability of those pursuing the state aid strategy to take existing institutional inequities as unquestionable. However, it was precisely the unquestioned nature of these institutionalised inequities – selectivity and exclusion – that acted as the Trojan Horse for their extension through state aid. In the same article, David Kemp, Federal Education Minister, cited an Australian Capital Territory study indicating that parents chose private schools for ‘religious or discipline reasons’ (Lawnham 1998, p.9).

The discussion constructed by Lawnham tended to obscure debate around state aid and private schools’ right to select clients, even while arguing in support of public schools. This aversion to such matters, while debating ‘choice’, had implicitly and unashamedly within it the promotion of selectivity and exclusion exercised by private institutions in an arbitrary manner as the chief advantages of private schooling. It was an acceptance that the same standard of service provision would not be available to all citizens, even when that provision was largely government funded. This process of selection and exclusion was a type of authoritarianism – governments or private institutions would choose on behalf of citizens which rights could be exercised and which marginalised. *

* Further to this, Apple (1999a) shows the school-system-level results of choice between schools: ‘the coupling of markets with the demand for and publication of performance indicators such as “examination league tables”…has
This was the meaning of the ‘market’ in education. The concept acted as the most effective ideological cover for the limitation of citizens’ rights by government. It obscured what governments were doing to the education system. As a ‘common sense’ statement, the ‘market’ connected notions of ‘choice’ as a type of democracy with an unquestioned assumption of the efficacy of private business in a ‘competitive world’. It also condoned as it obscured the flip-side of the operation of choice: private business could apparently choose whether and to whom it would offer its services or products. In a market situation this may have seemed logical enough (although that a business would survive by turning away customers seemed hardly logical). However, the point was that governments basically controlled and ran the schooling system through their provision of 80 per cent or more of its total running cost to both public and private schools. On top of this, governments also prescribed to a greater or lesser extent depending on school sector the curricular, accountability and policy processes and their surveillance. Thus, a market ideology was used to screen governments’ determination of who would be provided with what type and quality of educational resources.* The favoured ‘contracted’ private schools were positioned to do such choosing on behalf of government. And they chose most explicitly on the basis of citizen wealth – could the client afford the fees? Governments had encouraged in a more-or-less authoritarian way a meritocracy of wealth (or plutocracy) to develop in the provision of schooling.

To round off the education focus of that particular edition of the *Australian*, columnist Luke Slattery (1998) in another apparent apologia for public schools expressed admiration for teachers who ‘know what they’re doing and do it well’, and noted that it was not

* Apple (1999a) examines the two sides of market ideology in schooling. ‘Markets are marketed, are made legitimate, by a depoliticizing strategy. They are said to be natural and neutral, and governed by effort and merit. And those opposed to them are by definition, hence, also opposed to effort and merit. Markets, as well, are supposedly less subject to interference and the weight of bureaucratic procedures. Plus, they are grounded in the rational choices of individual actors’ (p.2). Yet, ‘neo-liberal visions of quasi-markets are usually accompanied by neo-conservative pressure to regulate content and behavior through such things as national curricula, national standards, and national systems of assessment. The combination is historically contingent..... But there are characteristics of neo-liberalism that make it more likely that an emphasis on the weak state and a faith in markets will cohere with an emphasis on the strong state and a commitment to regulating knowledge, values, and the body’ (p.5).
educational standards that were causing the drift to private schools (his daughter attended a public primary school), but parental ‘anxieties’ about their children ‘entering a complex and troubling world, one with little job security and a great deal of spiritual angst.’ Slattery also wondered what pressure such anxieties would place on teachers (p.11). For all the value of airing in the media the pros and cons of school systems, not to mention some of the significant points raised here about the ill-informed reasons for parents choosing private schools, the issue of state aid was either taken as given, or deemed not worth commenting on.

Both the Herald and the Age reported on Australian Bureau of Statistics’ research that had discovered that ‘many lower-income families throughout NSW are paying thousands of dollars a year for places in non-government schools.’ The publication of the research formed part of the Herald’s ‘The Best Schools’ series of feature articles, which culminated with an editorial on 2 May that allowed a swipe at the Federation with the explicit declaration that ‘good’ teaching in private schools explained the drift to those schools and, by implication, the Federation was a hindrance to good teaching and good teachers (SMH 1998a, p.46). This tended to confirm the most retrograde ‘common sense’ about the differences between schools and the role of the Federation. It also made more explicit the underlying government rationale for contracting-out school provision and the media’s complicity in the process: the avoidance of unionised teachers.

The Herald editorial pointed out that ‘one in five families in NSW with incomes below $26,000 have opted for non-government school education. Among families earning between $26,000 and $41,500, the non-government school ration increases to 22 per cent. This ratio rises to 50 per cent for families earning more than $104,000’ (SMH 1998a, p.46). Seven per cent of families earning between $31,200 and $52,000 had children in non-Catholic private schools, while the figure rose to ten per cent for those families earning up to $78,000 (Age 1998, p.A7). The figures lumped ‘Independent’ (that is, non-Catholic) schools together. This category of schools included the high-fee elite private schools and the low-fee Christian fundamentalist and other autonomous private schools that did tend to draw from less-well-off communities. Yet the figures still showed that both in the ‘Independent’ and Catholic school categories a disproportionate number of children from the wealthiest families attended those schools.
The *Herald* editorial claimed that the drift to private schools ‘points to a vote of no confidence in some aspects of the practice, culture and administration of some government schools’ and that this ‘suggests that parents increasingly accept that there is a market for schooling.’ More to the point, ‘Parents are no longer prepared to allow financial imperatives to force them to accept whatever the State Government and the NSW Teachers’ Federation decide to offer them.’ The last point was a reiteration of the *Herald*’s longstanding editorial predisposition towards seeing the Federation as somehow in control of the totality of school services in the face of a weak government and Department* (SMH 1998a, p.46). This was in accord with the Federal government’s key ideological position: teacher unions had captured control of the education system and had used their power to drive up their wages and drive down the quality of schooling. This was known by economic rationalists as ‘provider (or ‘producer’) capture’. The editorial furthered this point by stating, ‘The State government, to its credit, understands what is happening. There is no evidence that the federation has grasped the significance of the change in parental attitudes’ (SMH 1998a, p.46). The focus on ‘parental attitudes’ was ironic when contrasted with the editorial’s central idea that ‘financial imperatives’ were now less of a barrier to private school enrolment. Was the editorial examining ‘attitudes’ or material inducements? The fact that the strongest growth in enrolments was in the low-fee Christian schools meant that it was precisely the governments subsidising of the less-wealthy parents that utilised those schools that led to the change in parental ‘attitudes’. Indeed, the whole point of increasing state aid and disparaging the public system was to manipulate parental attitudes into an acceptance of such ‘choice’.

The editorial spent two paragraphs castigating the Federation’s supposedly class-biased and self-serving monopolistic views on the provision of school education.

Whenever the federation discusses government money spent on non-government schools its rhetoric invariably makes the assumption that there is a class bias in the spending. The statistics do reveal a preference towards non-government schools that becomes stronger the larger the income a family earns. But the insight the *Herald* information offers is that if lower-income families could afford to send their children to non-government schools, many more would do so. The key element, therefore, is not class but income. (SMH 1998a, p.46)

* The *Sydney Morning Herald*’s editorial position in regard to the Teachers Federation had not changed five years later. An editorial on 8/9 March 2003 commented, ‘The first task [for government] is to break the control over education strategy of an inflexible NSW Teachers Federation.’ This was in relation to the editorial’s call for flexible salaries for teachers (SMH 2003, p.36).
This statement seemed to contradict itself: if access to private schooling were income-based, then it certainly excluded the majority of the ‘class’ of low income earners, which was precisely what the Herald’s statistics showed. The editorial made no comment about the fact that many more parents could afford the low-fee Independent schools, and even Catholic systemic schools, than actually had their children in those schools. The editorial’s argument that ‘if parents had more money they would choose private schools’, that is, that ‘choice’ directly flowed from income, both inadvertently confirmed critics’ observations that ‘choice’ was associated with wealth and overlooked the fact that choice was exercised by a large number of public school parents who could afford some type of private schooling, but did not choose it. The editorial even went on to make that point without elaboration: ‘the executive director of the Australian Parents’ Council, Ms Josephine Lonergan, makes the obvious point that if half the families with incomes over $104,500 send their children to non-government schools, the other half must be sending their children to government schools’ (SMH 1998a, p.46).

The main problem with education according to the Herald’s editorial was that rather than ‘bemoaning’ the ‘marginalising’ of public schools, ‘the federation should be applauding the success of government schools in attracting pupils who have the means to seek their schooling elsewhere. And it should be working to improve on that success.’ To prove its point, the editorial used the example of the academic success in HSC mathematics of Epping Boys’ High School, located on Sydney’s affluent north shore. It asked rhetorically, ‘Is the intellectual culture of the school, with its experienced and enthusiastic staff who give more than specified by the board of Studies to maths...the key? Obviously, yes’ (SMH 1998a, p.46). That the Herald’s editorial writer came to this conclusion about the teaching staff of Epping Boys’ when they were appointed in the same random manner as all staff in public secondary schools, or could praise the ‘culture’ of a school that had had a student stabbing incident a few years before, or could eulogise a school that was sued successfully by an injured student in May 2002 for failing to provide adequate supervision (Moore 2003, p.13), showed that rhetoric had overwhelmed veracity.

An academic gloss to the Herald’s assertions was given by Dr Nigel Bagnall, a lecturer at the University of Sydney, who was paraphrased as saying that ‘while family background and wealth are important, they do not account for the differences among schools. The schools themselves play a part in the outcomes of their HSC results.’ The editorial
concluded with a demand that the school ‘report cards’ instituted by the Department as Annual School Reports in 1997 should include information on the school’s HSC ‘merit list’ achievements (SMH 1998a, p.46). The latter part of the editorial hinged on the fetish of HSC results as the only real measure of school success and connected this to the need to uncover teacher ‘feather-bedding’ and the complicity of the Teachers Federation. If nothing else, this showed the damaging effect on the public system of the HSC merit lists and that commentators on public education could use such ‘statistics’ as a weapon in its disparaging.

The May 1998 Commonwealth Budget increased state aid by 6.4 per cent (or $135 million) for 1998/99, to $2,243.7 million. Public school funding increased by 0.4 per cent (or $5.6 million) to $1,289.1 million. In total, Federal funding for all schools increased by 3.8 per cent. Luis Garcia, in the Sydney Morning Herald, noted that Federal funding accounted for 38 per cent of all funding to private schools, with a further 19 per cent coming from the States and local government, and the remaining 43 per cent contributed from private sources. The Budget cut funding for the Indigenous Education Strategic Initiatives Program by 12.2 per cent (by $16.5 million, to $118.5 million), with further cuts of $31.5 million projected in the following two years.* Other smaller schemes, including the Curriculum Corporation initiated by the Whitlam government to provide free, and later at-cost, curriculum materials to schools, had their funding cut by 8.2 per cent (Garcia 1998, p.5).

Minister Kemp explained the minimal increase to public education by describing literacy as the ‘key equity issue in education today’ and that the Budget provided $176 million in 1998/99 (and $680 million over four years) for various literacy programs. The irony was that for all the government’s foregrounding of literacy concerns, the Disadvantaged Schools Program, Early Literacy and English as a Second Language-General Support Programs had been amalgamated into a ‘broadbanded’ program entitled ‘Literacy’, which meant that there actually was little new money for literacy programs; it was simply a rebadging of existing programs (Edsall 1998e). The Budget also cut funding to the partially contracted-out AMES by $1 million, while spending $20 million on a marketing service to promote Australian education services overseas (Garcia 1998, p.5; Illing 1998, p.6). In

* In NSW, public schools enrolled three times the number of Indigenous students as private schools (see SCRCSSP 1999, p.39 figure 2.6).
summary, funding for public schools had trended towards stagnation, while state aid had increased above the rate of enrolment increase in private schools. The expansion of the private sector and decline of the public sector could hardly be attributed to ‘choice’ when funding to private schools was flowing at a greater rate than the operation of ‘choice’ in enrolment. Participants were simply following the flow of state aid.∗

In anticipation of a Federal election, the Australian Education Union released details of a poll it had commissioned into voter interest in education issues. It polled 1,000 voters in 28 marginal electorates across Australia. The results showed that education was an important electoral issue, ranking fourth behind health, tax reform and unemployment. It rated as the number two issue for women voters. Eighty-seven per cent of swinging voters polled felt that the Federal government had cut education spending too far and 94 per cent wanted an increase in funding for public schools. Only 14 per cent wanted the government to provide a significant increase in funding for private schools, while the same amount wanted to cut funding to private schools. About 39 per cent of respondents wanted a small increase in funding for private schools. Eighty-six per cent of respondents opposed the Federal government encouraging more students to move into private schools (AEU 1998a). Thus, while there was an anti-state-aid constituency, it was overshadowed by a larger one that was suspicious of the Federal government’s school ‘choice’ policy. Nevertheless, while perhaps separated in public consciousness, ‘choice’ was driven by state aid, but voter disquiet about isolated components of the state aid strategy seemed to have little impact on government policy.

Governments’ commitment to the state aid strategy in the face of such opposition perhaps goes some way towards explaining the Federal Minister’s duplicity, but also could explain the fact that public school funding had not been allowed to precipitously decline. However, the government’s rhetorical emphasis on literacy and numeracy as the highest priorities for education had had its effect and was agreed to by 62 per cent of those polled. Nevertheless, agreement to increase funding for the poorest schools ranked as the second priority. In a similar vein, seventy per cent of respondents either agreed or strongly agreed that public

∗ The ultimate ramifications of this process for parental attitudes towards schooling are explored by Smyth and Shacklock (1998): ‘What we are experiencing is a reduction in the willingness of wealthier sections of the community (who can afford private education for their own children) to continue to fund what they regard as declining quality public education, at the same level’ (p.19).
education should be free, 72 per cent responded that public school fees disadvantaged poor children, yet only 46 per cent felt there should be no public school fees (AEU 1998a).

The poll results showed a curious mixture of common sense ideas about the relationship between school funding and the quality of school provision. There was a strong aversion to aspects of the state aid strategy and the respondents also showed a strong acceptance of the received wisdom that an impoverished curriculum focusing on literacy and numeracy was paramount to school quality. This bifurcated thinking was the key to the way government spokespeople promoted the state aid strategy: one side of the inconsistency was emphasised to justify the other. This was done under the rubric of ‘quality’, which was ‘a canopy or umbrella term within which officially to house a limited and constrained set of interpretations about the condition of education and schooling, and [promote a] limiting, atomistic and impoverished set of prescriptions’ (Smyth & Shacklock 1998, pp.80-81). In the rhetoric of ‘quality’, curricular matters and their surveillance (in public schools only) were pushed up front, but drew on common sense propositions about rigour and discipline that actually elevated an impoverished curriculum. Emphasising curriculum ‘quality’ disguised the elitist thrust of state aid policies and was ‘used as a contradistinction to…[the] extension of resources to schooling’ (Smyth & Shacklock 1998, p.82). However, ‘quality’ existed most fully in elite private schools when academic results were compared and governments would provide state aid because ‘quality’ should be supported. Quality and state aid could be separated at one point in official rhetoric to justify narrowing the curriculum in public schools and increasing accountability there and brought back together at another point to justify the provision of state aid, especially to elite private schools. These conceptual issues were made more apparent in Kemp’s address to the National Council of Independent Schools’ Associations on 23 May.

The AEU media release concerning the poll quoted President Sharan Burrow as saying that ‘the Howard government has betrayed students in government schools and the AEU will be conducting a major campaign to ensure that any future Government commits real resources to meet the needs of Australian children.’ She noted that this was ‘also a message for the ALP. Education is a vote winner - especially among women’ (AEU 1998a).

* ‘Excellence’ formed a subset of the ‘quality’ argument by more clearly supporting elitism, because the most ‘excellent’ students, in terms of matriculation results, tended to be found in elite private schools, although the success of the public selective schools in matriculation exams posed some problems for the ‘excellence’/state aid link. Ministers of education simply tended to avoid any mention of selective schools when talking of ‘excellence’.
The survey’s results revealed that the Coalition government’s rhetoric on state aid had had negligible influence on those polled. Indeed, such rhetoric ran counter to much of the common sense revealed. There was considerable support for increased funding of education, particularly public education. Only minorities supported increased state aid (in varying degrees) and a large majority disliked the government’s cynical enrolment-shifting strategy. Yet these were precisely the government’s policies. This may explain Kemp’s use of ‘basic skills’ (literacy and numeracy) and ‘choice’ as important ideological deflectors. ‘Basic skills’ united this otherwise disparate and oppositional vote and the need to ‘return’ to basic skills suggested the failure of government schools and their teaching workforce.* Ironically, the survey implied that this ideological attack actually had the opposite effect among those polled of having them call for more resources for public schools.

‘Choice’ was another concept that in terms of general educational provision had little real meaning. This was because the centralised, prescriptive and mandatory nature of the curriculum in all schools, further tightly regulated by the matriculation contest, was the functioning educational basis for the Australian school system. But ‘choice’ could be used more narrowly to imply the provision of common public funding levels for all schools as the precursor to a voucher system. These ideological emblems could be taken by the New Right to mean the funding of elitism and the creation of a free labour market in teaching. This followed from the fact that since the curriculum apparently was sacrosanct, the only other areas of the school system that were open for restructuring (or flexibility) were the distribution of school funding, the salaries and conditions of the teaching workforce and enrolments.

Federal Minister Kemp made a revealing speech at the National Council of Independent Schools’ Associations (NCISA) on 23 May. The NCISA represented the interests of elite private, non-denominational, ethnic and ‘Christian’ independent schools on a national basis, including the wealthiest and less-wealthy schools. Its nine member board of

* ‘Basic skills’ were part of a more generalised assault on school curricula and pedagogy, according to Smyth and Shacklock (1998). ‘The notion of a broad liberal education is struggling for its very survival in a context of instrumentalism and technocratic rationality where the catchwords are “vocationalism”, “skills formation”, “privatisation”, “commodification”, and “managerialism”. In circumstances like these, education “comes under the gun” as it is simultaneously blamed for the economic crisis while being held out as the means to economic salvation – if only a narrow, mechanistic view of education is embraced’ (p.19).
management included (in 2002) representatives from the elite Canberra Grammar School, the International Grammar School and Caulfield Grammar School (NCISA 2002).

Kemp (1998) was perhaps less cautious than he otherwise may have been when addressing this group. He began by stating that ‘jobs, competitiveness, and indeed ultimately national survival depend on quality education’ (p.1). These were certainly high stakes and showed the framework within which his ideological attacks on public education were launched: schools somehow created jobs, competition was the basis of modern society, and no measure was too extreme (in the interests of ‘national survival’) to achieve educational restructuring. The selection of these indicators by Kemp (employment, competitiveness, patriotism) to frame his rhetoric meant that private schools (especially the elites) were let off the hook in so far as macro-level accountability (that is, their ‘contribution’ to Australian society) was concerned. Their graduates tended to be highly employable or moved onto higher education at a rate substantially above their public school counterparts. It also surreptitiously celebrated the fact that elite private schools through selectivity thrived on and succeeded at centrally-installed competitive tests, were inherently conservative (that is, ‘patriotic’), and disproportionately provided the future ‘leaders’ of Australia (see Peel & McCalman 1992). Therefore, such schools could be regarded as the templates for all schools. They had no need to change or restructure, unlike public schools.* The need to ‘change’ underpinned all anti-public-education rhetoric, but was never used in reference to private schools. The restructuring of public education was a source of disruption for public schools and built anxiety amongst parents and damaged teacher morale: that is, it facilitated the drift to private schools.

Kemp moved on to link education to democratic participation, equal opportunity and social justice, but then narrowed these to mean the knowledge and skills needed for participation in the workforce. He went so far as to state that ‘the education policies of this government are driven by a strong democratic and equity agenda…’. This perhaps seemed less audacious if it were recalled that for Kemp democracy meant (government-designated) ‘choice’ and ‘equity’ meant joining the workforce as a willing participant. ‘Literacy for all is the essential foundation for any policy which could credibly meet this challenge’ (Kemp, 1998, p.1). This was the rhetoric of ‘weak’ or ‘thin’ democracy that Michael Apple (Apple

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* See Ken Boston’s rhetoric as Director General of Education and Training in NSW; Raethel 1998a, p.12.
1988, p.171; Apple 1999a, p.7) and others (see Brosio 1993) had found characterised post-boom neo-liberal governments. Kemp (1998) went so far as to assert that ‘choice is a democratic right’ (p.3) without mentioning too many other democratic ‘rights’ in his speech, apart from the idea that ‘parents have a right to high quality information about their children’s performance’ (p.4). ‘Information’ about ‘performance’ was substituted for parents’ democratic involvement in schooling. What counted as information and performance would be determined elsewhere. Under this notion of democracy, parents and children were situated as those to whom things were done by government, those who willingly participated in the labour market, and those who consumed (or ‘chose’). This implied that democratic participation in government and social services would be set at minimal levels. Kemp conflated democracy with utilitarianism by using open-ended and ultimately meaningless terms such as ‘literacy’, ‘choice’ and ‘information’ and labelling these as democratic rights. No one could disagree with the importance of these as such, yet the reality was that ‘literacy’ meant narrowing the curriculum for the working class and punishing the public school system for its ‘failure’ at academic tests. ‘Choice’ meant privatising the cost of educational provision by encouraging the drift to private schools. ‘Information’ meant making public the failure of public schools. Kemp’s approach to each of these with greater or lesser transparency constituted the bulk of his speech.

One wonders what Kemp’s audience at the NCISA made of his emphasis on literacy when many of their students were amongst the highest achieving scholars and graduates in Australia. For such an audience, ‘literacy’ was merely code for disparaging and punishing public schools and increasing the funding of ‘excellence’, which, of course, meant state aid increases for their schools. And Kemp’s coded messages always were set in the (unstated) form of public versus private schooling. His minimalist vision of school achievement – ‘literacy’ – meant that private schools were already succeeding and, through Kemp’s inability to ever be critical of any aspect of private schooling, they became the template for public schooling. Such a template would include what Kemp had earlier identified as his perception of why parents chose private schools: religion and discipline (Lawnham 1998, p.9). When the justification for the move towards such a template was to be based on ‘academic success’ (however measured), the resulting situation would always be

* ‘The management [style advocated by governments after 1987] is a discourse of power and control, where those who are managed are disempowered. Students are effectively commodified as products, whilst educators are reconstructed as process workers, and society is redefined as the economy’ (Dudley & Vidovich 1995, p.48).
disadvantageous to the majority of public schools because, as an underfunded and non-selective sector, they could never succeed at the same level of academic ‘excellence’ as the private schools. So, far from the public sector offering something different from the private sector, public schools were to be forced to be more like the privates, and one suspected that this would mean even more discipline, and possibly religion, if Kemp had his way. Kemp’s ideological thrust was to relativise the ‘success’ of the private schools against the ‘failure’ of public schools, rather than any expansive vision of all schools providing real social justice for all students – even though his speech was entitled ‘Quality for all’.

As a title, ‘Quality for all’ showed the centrality of ‘quality’ as a link between selectivity, an impoverished curriculum based on ‘discipline’ (especially for low-achieving public schools) and increases in state aid. When applied to the public system’s teaching workforce and allied with the selective application of the surveillance of ‘failure’ through test-based accountability, the pursuit of ‘quality’ meant that there could be some justification for the easier hiring and firing of staff and the implementation of individual ‘merit-based’ contracts. It also meant that ‘quality’, achieved through curricular ‘rigour’, ‘basic skills’ and teaching to the test, would create a pedagogy that would sort out those public school students who were ‘uncompetitive’. Dealing with the ‘failures’ would demand more coercive discipline, which could be assumed to produce even more student resistance. All this would take place in schools less resourced to deal with the problems created by ‘competition’ than private schools awash with state aid and underpinned by selectivity and exclusion, who produced ‘success’. The structure to be set in place was probably intended to create a spiral of decline in public schools as difficult or underachieving students were concentrated there to have a curriculum thrust upon them that merely punished their ‘failure’, while resources to deal with such problems declined.

Kemp (1998, p.2) moved on to speak of ‘freedom and democracy’, which seemed to consist of ‘respect’ for ‘differences’ (which was nothing more than a presumption that ‘choice’ should be respected as a democratic right). He then asserted that ‘citizens’ had to be allowed to ‘express these differences’ and that the ‘institutions of a truly democratic

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* In 2000, the positions of Principal and Deputy Principal were spilled at the public selective school, Manly High. This was after complaints from parents that Manly High’s students had achieved the worst HSC scores of any NSW selective school. The new Principal and Deputy Principal were placed on five-year performance contracts. A Departmental review recommended that ‘information on all secondary schools [be released] to allow school
society must fit themselves to what people want of them’. He rejected the need for ‘one curriculum’ and ‘one pathway of progression’ in schools. Taken together, these statements were a fairly coherent account of Kemp’s plans for Federal involvement in schools. The rubric ‘differences’ elided the ‘difference’ of wealth of the elite private schools with the religious, ethnic and philosophical differences found among various other independently-established private schools. Wealth and power differences in society and their articulation with certain school sectors were hidden behind the statement of ‘respecting’ ‘differences’. For Kemp, citizens had to be allowed to express these differences. This was code for government legislating in favour of funding private (‘different’) schools so that this ‘expression of difference’ became possible.*

The rejection of ‘one curriculum’ and ‘one pathway’ seemed to fly in the face of successive governments’ push for national educational goals and a national curriculum (attempted by the Labor government in 1989 and 1993) and nationally-centralised skills-test-based accountability arranged around a further set of national educational goals (inaugurated by Kemp through MCEETYA in 1997). Of course, despite his comments to the contrary, Kemp had no intention of moving away from centralised prescription for State systems, nor from a ‘common’ national curriculum and pedagogy formed around test-based accountability (if the SCRCSSP 1999 report is any indication – see pp.46-86). What Kemp meant was that public schools’ curricula would increasingly centre on lower-
ability curriculum streams and vocational education subjects – both of which private schools attempted to avoid (see SCRCSSP 1999, p.44 figure 2.16).

The next section of Kemp’s speech went on to outline his vision and initiatives around connecting schools, TAFE, private training providers and the Jobs Network into an overarching system of compulsion (when appended to the alternatives of Work-for-the-Dole, low-waged work, or participation in higher education). This process of increased state surveillance of youth had begun with MCEETYA’s adoption in 1995 of the ‘Finn Targets’ arising from the Finn Review’s† (1991) proposal that 95 per cent of 19 year olds would complete at least 13 years of full-time education and/or training (see SCRCSSP 1999, p.28 box B.4). Strangely for an era of neo-liberalism, this process was far from being seen as ‘big’ government intruding into young people’s lives as never before, in so far as their only alternatives often were to work in poorly-paid, government-legislated ‘youth-training-wage’ jobs, on the one hand, or to come under the surveillance and compulsion of the state through further education and training or government-run or -contracted employment and social security agencies, on the other. Kemp actually summarised this situation and the government’s role by stating that ‘even the most disadvantaged can be empowered by choice’‡ (Kemp 1998, p.3).

Again, a focus on multiple ‘pathways’ and differential curricula in Kemp’s speech may have had negligible value for an audience representing schools that avoided offering lower stream subjects and vocational education (that is, apprenticeship or semi-skilled courses), but Kemp was indicating that public schools should be re-residualisation into ‘technical’ schools as they had been until the 1960s or 1970s in most States. Kemp was reassuring his audience that they need not worry that funding would diminish for them – after all, one

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‡ Meszaros (1995) makes the point that this current type of ‘ideological mystification continues to glorify the practically non-existent “free market”, the make-believe “freedom from state interference”, and the virtues of boundless individualism’ (p.xxiv).
curriculum was as good as another, one pathway of progression was as good as another, but even more importantly, private schools, which tended to achieve ‘excellence’ in relation to most public schools on any academic measure, therefore would be encouraged to be the first choice of parents through state aid. Part of Kemp’s audience at the NCISA represented small ‘Christian’ and ethnic schools serving some disadvantaged communities whose academic results were not too dissimilar from those of public schools and he was reassuring his audience that on the ‘excellence’ and consequent funding stakes, not only wouldn’t they have to worry about public schools ever threatening them with academic results, but that public schools, through a different vocationalised curriculum for most of their students, would not even be in the race.

Kemp (1998) moved on to cast doubt on the efficacy of needs-based funding of private schools. He made clear that the government’s review of the Economic Resource Index (ERI) would probably lead to its abolition and linked the government’s discarding of Labor’s New Schools Policy to a notion of ‘empowerment’ (p.3). According to Kemp, the source of the disempowerment of the ‘community’ and the chief malaise in schooling was that ‘centralised [education] systems have perpetuated the alienation of disadvantaged parents and the educational disadvantages of their children’ (p.4). How doing away with the ERI would help the disadvantaged, when most disadvantaged students were in public schools whose parents would never be able to afford private schooling no matter how low the fees were, Kemp did not address. And how allowing the proliferation of private schools by abolishing the New Schools Policy would overcome the disadvantaged’s ‘alienation’ (presumably by input into schools), when private schools always had the right to exclude any student (whose parents may have insisted on more input into the school), he also avoided. Once more, Kemp’s unstated support for private schools’ ability to select clients undermined his notions of ‘choice’, individual empowerment and community involvement in schools.

More directly, Kemp (1998) found that the perpetrators of the malaise in schooling were the ‘defenders of educational monopolies – principally the union leaders whose power rests on centralised industrial relations processes’ and that they were the ‘principal opponent of a more democratic society based on empowerment through choice’.

* Kemp (1986) claimed at an H.R. Nicholls Society conference: ‘The rightful claim of unionism in a society where there is equal liberty for all is a claim to reasonable consideration and consultation, and nothing more…’ (p.5). According to
this monopoly was the Commonwealth’s research into ‘parents’ needs and expectations for information on student achievement and school performance.’ Such reporting would focus on the achievement of ‘student learning outcomes’ (p.4). Again, because unionised teachers apparently had undermined academic standards, the curriculum was to be firmly removed from their grasp and parental choice informed by ‘League Tables’ would expose public schools (and their teachers) to market discipline.

However, the inconsistency of decrying the ‘monopoly’ capture of educational provision by governments and teacher unions seemed glaringly obvious when Kemp’s own vision was to replace it with a centralised government monopoly determining not only the funding quantum, but what counted as ‘learning outcomes’ and how these were to be reported. Kemp seemed to be proposing the replacement of the dual ‘monopoly’ control of education by government and unions with control by government alone. Indeed, Kemp (1998) referred to the ‘important breakthrough’ at the top-level meeting of all Education Ministers (MCEETYA) in Hobart in April that had agreed to develop more centrally-determined and arbitrary literacy and numeracy ‘benchmarks’. These were ultimately to form the basis for providing information for parents to exercise ‘choice’. ‘For the first time Australia has a nationally agreed minimum standard for literacy in primary schools’ (p.4). So much for ‘choice’ and ‘differences’ and more than one curriculum!

Kemp’s vision of centrally-imposed test-based accountability was not new. New South Wales had implemented primary-school-level Basic Skills Tests for Years 3 and 5 (originally Years 3 and 6) under the State Coalition government in 1989. Minister Aquilina had moved further down this track by emphasising literacy as one of the government’s ‘highest priorities’ in June 1997 and implemented State-wide Year 7 literacy testing for public schools in 1998 – and numeracy testing to commence in 2001 (Aquilina 1997a; Aquilina 1997b; Aquilina 1998b; Aquilina 1998d). These tests would be a single discriminatory measure and show that overall non-selective public schools ‘failed’ relative

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*Smyth and Shacklock (1998), ‘weakening trade unions [is] the single most important factor in restoring the level of profits’ (p.18) – or in the case of public service unions to address the ‘fiscal crisis of the state’. This meant that ‘To remain “competitive” in the global market, the budget deficit of the State must be reduced’ (Weber 1996, cited in Smyth & Shacklock 1998, p.67). Andrew Moore (1995) notes that the H.R. Nicholls Society was a right-wing ‘business-funded industrial relations study group’ and think tank (p.130).

* Brian Caldwell, the extreme educational free-marketeer cited elsewhere, was to do some of this research for the Commonwealth.
to selective schools or those drawing students from affluent areas, no matter at what level the ‘literacy benchmarks’ were set.

But, for Kemp (1998), within this centralised information-based regime of discrimination there did seem to be some ‘choice’: ‘These benchmarks will apply to all students in government schools. The Commonwealth is working with the non-government sector to develop cost effective methods to allow non-government schools to report against the literacy and numeracy benchmarks...’ (p.4). Thus, whatever the standard of basic skills achieved in private schools, they did not have to undertake an assessment regime like the public systems, nor did they have to publicly report results. So much for test- and report-based accountability!

Kemp (1998) continued his championing of publicly reporting student achievement by criticising ‘those who oppose choice also oppose proper reporting of educational outcomes, and have used their power to prevent in recent times the NSW State Labor Government from instituting meaningful school reporting to parents. In doing so they are perpetuating alienation and disadvantage’ (p.5). This was a direct reference to the Federation’s success in preventing the NSW government from publishing ‘League Tables’ comparing public primary school results on the Basic Skills Test and preventing schools from publicly promoting their results through comparison with other schools. For Kemp (1998), the malaise in democracy and its symptoms – alienation and disadvantage – could besheeted home to union involvement and he ‘marvel[led] at the failure of the vested interests of the AEU and its ideological fellow travellers to comprehend the strength of forces which are moving in our remarkable democracy to empower parents, schools and communities’ (pp.5-6). The link Kemp made here between government and community excluded intermediary representative organisations from the determination of educational provision; eschewed organisational ‘diversity’; and positioned unions as disreputable contributors to

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* In 1998, the NSW Steering Committee for the National Literacy and Numeracy Plan released its *Starting Kindergarten: Assessing Literacy and Numeracy – Using Foundation Outcomes* document. Its production was funded by the Commonwealth Department of Education, Training and Youth Affairs as part of its teacher professional development program. The NSW Steering Committee consisted of three Departmental officials and one each from the NSW Catholic Education Commission and the NSW Association of Independent Schools. There were no teacher union or parent representatives. Of the 14 schools used to gather research materials for the document, only two were private schools. At the time of writing (mid-2003), private schools still do not have to participate in centralised skills-based testing in NSW and even if they choose to they do not have to report the results to the education authorities or parents.

† Minister Aquilina was later inadvertently pictured above a press story headlined, ‘East Corrimal kids above state average’, which was precisely the type of publicity the Federation had hoped to prevent in its anti-League-Table agreement with the Department (Carty 1998, p.6).
the education system,* leaving only the organised power of the state on the one hand and
the disorganised power of individual ‘choice’ on the other.

The call for greater resourcing of public schools was, for Kemp (1998), ‘irresponsible’. He
noted that the government would increase funding for public schools by $700 million (or
13.4 per cent) by 2000 from a 1996 base (p.5). This increase, unadjusted for inflation,
would barely cover the absolute increase in student numbers in public schools across
Australia. Similar obfuscation arose with Kemp’s (1998) comparison of State and
Commonwealth average recurrent resources. He stated that the 1997 figure for government
schools was $5204 per student, while for non-government students it was $3119 (p.5).
Such averages obscured the much greater resources spent on public education in the
Northern Territory (up to $3000 per capita more than the figure Kemp gave here – see
SCRCSSP 1999, p.xxii figure 3), as well as the much greater demand for the more
expensive special needs education in the public system. These anomalies in school funding
figures inflated the Australian average cost for public education. As well, the graduated
nature of the provision of recurrent state aid to private schools under the ERI meant that
some private schools received perhaps $1,500 more than the average Kemp gave.
Nonetheless, such a state of affairs of comparable sectoral funding, Kemp (1998) felt,
meant that government schools ‘have never been more competitive’ and had ‘opportunities
to lift quality’. Only government schools were singled out as needing to ‘lift quality’ (p.5)
and this, after all, was what connected selectivity, curriculum control and state aid – and all
that these implied for public schools, their students and teachers.

Kemp’s speech makes more-or-less coherent links around a program of privilege and
exclusion enabled through state aid and contracting-out. ‘Quality’ and ‘excellence’, as
code for the private sector, and especially the most elite private schools, were to be
quantified by literacy tests or other academic measures aimed most directly at exposing the
public system as a ‘failure’. ‘Excellence’ would be rewarded with extra funding for the
private schools and the public system’s curriculum would be downgraded to eliminate
ultimately any possible challenge to the private schools through measurable academic

* Kemp’s audaciousness in sheeting home all the problems in public schools to teacher unions was unparalleled in his
statement in March 2000. In the midst of an Industrial-Relations-Commission-imposed six-week ‘cooling off’ period
between the Teachers Federation and the Department in their salaries dispute, Kemp declared, ‘Parents are getting a
very negative message about government schools from the NSW Teachers Federation…. That’s a false message but
success. (This convergence of general and vocational education was happening already; see SCRCSSP 1999, p.27). But most significantly, this whole process would sideline teacher unions and monopolise control of educational provision by government – most explicitly through centralised curriculum prescription and implicitly through making private education providers absolutely reliant on government funding. The public system was in double jeopardy: Kemp’s elitism saw no place for a public system that could academically challenge the private sector and the public system was highly unionised. The elimination of union involvement by promoting the academic failure of the most unionised school sector underpinned the thrust of Kemp’s curricular and policy rhetoric.

Some of the leadership of the Teachers Federation probably realised this, as did many rank-and-file members. However, public school survival relied on union strength, a concept not easily promoted to a wider public taught to be suspicious of anything to do with trade unions and extremely sensitive about ‘unaccountable’ institutions’ involvement in the education of their children. Thus the Federation tended to attack the elitist thrust of Kemp’s policies and pronouncements, but Kemp could rightly point out that the ‘poorest’ private schools and the Catholic system – both serving a largely working class clientele – received the largest per capita grants of state aid. Most other anti-state-aid groups also focused on Kemp’s elitism. The Federation leadership never really campaigned around the more obscure, but most dangerous, thrust of Kemp’s policy: that to lower costs to government over time, both public schools and their workforce had to be residualised, de-unionised and their salaries deregulated. This de-unionisation and deregulation would be most effective if teachers (in the wake of students) could be ‘persuaded’ to move to the less-effectively-unionised private system. Kemp (1998) made this quite explicit: ‘At the heart of the debate on quality education for all, is the issue of who is to control the schools and what is the role of government. In schooling today it is a debate between those who are seeking to defend positions of centralised power (both in educational and industrial policy) and those who recognise that in a democracy it is by empowering individuals to take decisions which matter that the quality people seek can be best achieved’ (p.6). The bellwethers for this process were the elite private schools, which cost government least and had low union density, and the small ‘ethnic’ and ‘Christian’ schools, which cost more but had even lower union density, and Kemp’s (1998) highest praise was for these independent parents are hearing it and they are voting with their feet [by moving their children to the private system]’ (Newcastle Herald 2000, p.16).
schools’ ‘flexibility’ (p.7). Kemp’s campaign was centred on destroying unions like the Teachers Federation, but the Federation’s leadership never addressed this publicly and rarely explicitly within its own ranks.

On May 30 an advertisement appeared in the *Sydney Morning Herald* (30-5-1998, p.5 Employment) seeking staff to teach for the contracted providers of the AMES. The advertisement was placed by University of Western Sydney (UWS) Commercial Services, an ‘earned income centre’ (that is, a quasi-privatised body) of that university, as part of the ACL consortium. The cannibalising of one part of the public sector by another through the tender process was a particularly pernicious style of contracting-out. The salary range that UWS offered to English language teachers was almost $1,000 per annum lower than the beginning salary for current AMES teachers, and for experienced teachers $200 lower than the equivalent award rate. The advertisement made no mention of the three per cent increase in the award rate that AMES teachers expected in July 1998. Similarly, an earlier *Herald* advertisement offered only casual positions for teachers as part of the Wollongong University contract for AMES (*SMH* 23-5-1998, p.5 Employment). Contracting-out as cost-cutting through wage reduction was clearly apparent, creating a more-or-less free market for this particular type of labour. This was the fundamental thrust of the state aid strategy: to reduce service cost by reducing wage levels. If the quality of the service provided suffered because of this, then as long as it only affected newly arrived migrants or the more disadvantaged of the working class, that is, the organisationally weakest participants in society, then governments, especially Liberal-led governments that did not expect electoral support from these groups anyway, had nothing to lose.

Over the next few months the AMES dispute faltered. In a letter dated 27 May, the Commonwealth Ombudsman rejected the Federation’s objections about the potential conflict of interest in the ACL tendering process (Commonwealth Ombudsman 1998). Federation’s complaint was rejected on the basis that Maggie Gray, a member of DIMA’s Tendering Evaluation Panel (TEP) and a board member of ACL, to whom the Panel awarded the tender, had declared to DIMA that she had no conflict of interest. The Ombudsman agreed: ‘I have not found any evidence to suggest Ms Gray brought or was...

* Sydney Morning Herald economics columnist, Ross Gittins, addressed this point directly: ‘[Academic] John Quiggin has pointed out that much of the savings arising from contracting out government services arise from nothing more than the fact that the private-sector workers now delivering the service are paid less and have lesser conditions than the public servants they replaced’ (Gittins 2002, p.30).
able to bring improper influence to bear on the tender evaluation process and the outcome’ (pp.1&2). As Gray was the only ‘independent expert’ on the TEP, and her employer, ACL, won the contract, it would seem that ‘insider knowledge’ about what made a winning tender was more the Federation’s concern here, rather than ‘improper influence’, but the Ombudsman did not address this issue. The case against Helen Zimmerman, CEO of ACL and Board member of the National ELICOS Accreditation Scheme, the organisation contracted by DIMA to oversight the delivery of migrant English-language teaching by providers like ACL, was dismissed by the Ombudsman (1998) because Zimmerman had ‘disclosed a potential conflict of interest [on 18 September 1997] and has given an undertaking not to be involved in any discussions or decisions which may involve the AME[S] tendering process’ (p.3). According to the Ombudsman (1998), ‘[DIMA] has [not] acted unreasonably in the tender evaluation process and, further, ...it has taken and is taking appropriate measures to avoid actual conflict of interest occurring in the tender evaluation process and the monitoring of contract performance’ (pp.3-4). This seemed a remarkable finding. The Gray case was resolved under ‘improper influence’ rather than insider knowledge, and the Zimmerman case was resolved by recourse to the distance of Zimmerman from the tendering process rather than her ongoing role in monitoring the delivery of English-language programs by ACL (see also Carruthers 1998, p.4; Horin 1998a, p.47). The Federation’s response was to place an advertisement opposing the partial contracting-out of AMES in the Herald and Daily Telegraph on 16 June endorsed by trade unions, community organisations, schools, academics and about 26 State and Federal politicians. This campaign nevertheless failed to have the Federal government resile from its position, nor did the State government move to fully fund AMES.

The NSW Government released a report to parliament entitled Savaged for a surplus in response to the May Federal budget. Although the report made no judgement about the legitimacy of state aid, its relatively detailed data on state aid made it unique in recent NSW parliamentary history. Its key focus, however, apart from the Federal government’s reduction in spending on public schools, was the issue of increased cost-shifting: ‘As well as cuts in Commonwealth funding for government schools arising directly from Budget measures, there is significant cost shifting to the States’. It gave an aggregated figure for the shift of over $300 million by 2001-02 in 1998-99 prices (NSW Government 1998, p.7). The report promoted the Federal reduction in government schools’ funding as a rallying point for public disquiet, while making no comment on the possibility of NSW (or any
other State) reducing its contribution to state aid. The figures were alarming, though organised to exaggerate the Federal funding trends. *Savaged for a surplus* stated that non-government schools would receive a 6.8 per cent real increase in funding between 1996-97 and 2001-02 (over $154 million), while government schools’ funding would decline by over $101 million for roughly the same period, that is, by at least 7.2 per cent in real terms (NSW Government 1998, p.7).

The document made one concession to concerns about state aid. A graph on page seven of *Savaged for a surplus* plotted the relative increase in Commonwealth state aid since 1988-89 in comparison to public school funding. Commonwealth government schools funding showed a general stagnation from 1992-93 to 2001-02, excepting a small increase in the 1997-98 budget which was projected to taper back to stagnation (NSW Government 1998, p.7). This seemed to belie the document’s contention that ‘cuts to government school funding can only accelerate the trend [to private school enrolment]’ (p.8). The data showed that total public school funding actually had increased under the Howard government in historical comparison (while nevertheless projected to fall subsequently), if at a level significantly less than the increase to private schools. The projected decline in public schools funding was from this 1997-98 peak and, ironically for a Labor government document, it was a peak in real terms exceeding the amount the previous Labor Federal government had spent. The graph heroically projected that even private school funding would fall and stagnate from 1998-99 to 2001-02 (p.7).

*Savaged for a surplus* suggested that capital works funding for new public schools across Australia would fall by $27 million between 1997-98 and 1998-99 and that the cuts were to increase to $31 million by 2001-02, equivalent to the cost of two new high schools annually (NSW Government 1998, p.8). If two schools were equivalent to about 1,400 student places, then it equalled the current and anticipated rate of decline of public schools’ proportion of enrolments. Contrary to the rhetorical thrust of *Savaged for a surplus*, the data indicated that Federal government cuts to public school funding were less an absolute reduction and more a reduction relative to the rate of increase of funding to private schools. The report made its most telling point in its comparison of the relative increase in the rate of funding to private schools as against public schools. There seemed to be a trend towards stagnation in funding for public schools, which rose only at the rate of increase in total enrolments, rather than a real reduction. Of course, for a type of voucher system to be
constructed at a moderate cost to governments, then it could be assumed that the ‘baseline’ funding for that voucher system would be the average cost of funding public school students. Therefore, if that baseline were to form the basic voucher grant, then that average had to be held at a level that governments felt was affordable. This may explain the relative underfunding of public schools and the trend towards stagnation in increases in such funding – to produce a stable average rate of funding that could be extended to all or most private school students.

According to Savaged for a surplus, the three basic areas of concern for the NSW government were the Commonwealth government’s abolition of the New Schools Policy, the real increases in private schools’ per capita grants and the effects of the EBA (NSW Government 1998, p.8). These were all seen as accelerating enrolments in private schools. This was the historical significance of this document: never before had the NSW government shown such explicit concern about the increase in private school enrolments and linked it directly to the supply of state aid, albeit Federal state aid.

The AEU and the Federation jointly convened a Public Education Conference at the Sydney Convention Centre at Darling Harbour on May 23 (Education, 9-2-1998, p.4). The pre-election focus of the conference was obvious with teacher delegates and parent representatives explicitly drawn from Federal electoral districts (NSWTF 1998b). Enlisting parents in a major teacher union conference was unique in Australia. The Sydney conference drew both NSW, interstate and overseas delegates. The Victorian-based Ray Nilsen and the surviving members of DOGS attended the conference. However, the Conference delegates basically formed an audience whose only activity was to listen to the speakers and endorse, without debate, the statement of the principles of public education read at the Conference’s conclusion.

The conference was chaired by ABC Radio personality Philip Adams and included AEU, Federation and parent organisation representatives and non-Coalition politicians as speakers. Kim Beazley, leader of the Federal Labor Party, gave an unmemorable address after being introduced by Sharan Burrow, President of the AEU, and left after taking two questions from the floor. Meg Lees, former government school teacher and leader of the Australian Democrats, also said little of importance, but, when challenged from the floor to stop funding to elite private schools, said she was electorally unable to give such a
guarantee (Treasure 1998, p.14). While the Conference showed the commitment by the AEU and Federation to building a broad pro-public-education (and implicitly anti-state-aid) alliance, their focus on the electoral process when no major political party showed any resolution to significantly reduce state aid (while nevertheless simultaneously expressing support for public education) tended to undermine the significance of this type of alliance. Parents and teachers could feel that they were being involved in a carefully stage-managed process revolving around established parties that did not really address one of their most demonstrative concerns: that a mainstream party would take the lead in reducing state aid.

Building up to the expected election, Federation Council on May 25 called for a two-hour stopwork meeting and SkyChannel address for June 17 with Sue Simpson to give a report entitled ‘Public Education - Quality worth fighting for.’ It was to be the first SkyChannel meeting to include both parents and Federation members (Education, 7-12-1998, p.14) and ‘Public Education - Quality worth fighting for’ became the slogan for the Federation’s election campaign. The Federation produced stickers with the slogan and a kit with a comprehensive set of leaflets describing Federal funding priorities in schools and TAFE and revisiting the AMES dispute. The campaign tended to oscillate between a call on the major parties to improve public school funding and the question of state aid. However, the use of ‘quality’ in the campaign slogan, while challenging Kemp’s usage of it as encompassing selectivity, testing and state aid, meant that the Federation was struggling on Kemp’s rhetorical terrain. That union survival and democratic representation were worth fighting for and that the Federation and the AEU were targets of governments in the state aid struggle remained unstated throughout the campaign.

An important development in the evolution of the struggle against state aid was the growing support by the NSW Federation of Parents and Citizens Associations for the position of the Teachers Federation. The AEU/NSWTF conference had more-or-less formalised this cooperation and spurred local campaigns, such as the letter writing action promoted by the Federation’s Blacktown office jointly with the Regional Council of Western Sydney Parents’ & Citizens’ Associations (NSWTF/RCWSP&Cs 1998a). This prepared the ground for a joint public meeting on Federal public education funding policy to be held at Penrith in August (NSWTF/RCWSP&Cs 1998b).
The Federation Executive on 9 June drew up a list of principles for resourcing and staffing the Department’s proposed Nirrimba Senior Collegiate model. This seemed to reveal a tacit acceptance of the Department’s rumoured proposal to undertake school reorganisation across the State. Executive’s most severe sanction was that ‘under no circumstances will NSWTF tolerate the sharing of either sites or facilities with non-government schools as has been mooted with the Nirrimba experiment’ (NSWTF 1998e). This loose proposition hinged on what exactly ‘sharing’ a site or facilities meant. At Nirrimba, sharing a library between the Catholic and Senior College was proposed and the schools certainly shared the same piece of ground.

Federation Council, on the other hand, was more adamant in its opposition to the ‘Nirrimba experiment’ four days later and it authorised the Federation to seek discussions with the Department on a statement of principles for the organisation of comprehensive secondary education across the State. This followed Council’s ‘alarm’ at the ‘ad hoc’ ‘plethora’ of Departmental announcements and ‘so-called initiatives’ regarding localised secondary school models. ‘The Federation deplores what appears to be the lack of any coherent educationally sound strategy underlining current developments,’ the Council stated. Council condemned the Department for its refusal to ‘allow the conduct of research into the effects of choice[,] selectivity, specialisation[,]...senior high schools and multi-campus colleges on comprehensive high schools and the students in them.’ Council noted the fragmenting effects of such developments and called for the Department to abolish non-comprehensive schools if research showed that they did ‘not contribute to the quality of education’ in New South Wales (NSWTF 1998d).

The Council noted that the Department apparently planned to restructure educational delivery in Tomaree, Nowra, Dubbo and Mt Druitt and called on the Department to provide a timetable for negotiations over Nirrimba, encompassing resourcing levels, staffing and working conditions. One of the Department’s justifications for forming the Nirrimba Senior Collegiate was to provide greater subject choice for senior students. Council asked that if the three high schools in the proposed collegiate group (Seven Hills, Quakers Hill and Riverstone) with an average student enrolment of 700 could not supply sufficient subject choice, then what would be the case with subject choice in smaller country and other comprehensive high schools and central schools? Council demanded immediate negotiations with the Department to improve the resource and staffing levels of
all secondary and central schools and that Federation Officers ‘alert teachers of the possible need for statewide action to achieve meaningful negotiations’ (NSWTF 1998d).

Council’s call for a moratorium on any progression of the Nirimba project until an impact assessment on the local schools was made was certainly more decisive than the Executive’s original recommendation. Council committed Federation to continue discussions with the Federation of P&Cs and encouraged schools to do likewise with their local P&Cs (NSWTF 1998d). The Council decision of 13 June accepted and incorporated Executive’s call for negotiations with the Department around resourcing and staffing principles, while questioning the purpose of school reorganisation and the existence of specialist and selective schools. However, the fragmentation of the system that these schools would create was seen as detrimental to quality education, rather than as a problem for union collective action. Collegiate systems and other reorganisations of public schools were seen by Council as, at best, cynical cost-saving measures and, at worst, as implicitly endorsing, or even exacerbating the drift to, private schools. What was left uncanvassed was whether the consequent fragmentation of the interests of school staff created by a Collegiate secondary school system would be detrimental to union organisation and cooperative action.

On 30 June, 100 teachers walked out of five Mt Druitt schools and three neighbouring schools to protest the secrecy surrounding the Department’s plan to reorganise Mt Druitt schools into a collegiate system and assembled outside the office of local Labor MP, Paul Gibson. This followed a meeting on 29 June between the affected schools’ Principals and the Department's Assistant Director-General Alan Laughlin. The Principals were sworn to secrecy regarding the planned reorganisation. Federation Organiser, Angelo Gavrielatos, condemned this secrecy and called for ‘constructive open debate’ (Education 1998b, p.4). However, it seemed that some people had known the details of the reorganisation of the Mt Druitt schools well in advance. Leo Price, Labor Federal member for Chifley, the electorate covering the Mt Druitt schools, in March had praised the Department’s ‘Laughlin report’ which had proposed a ‘Super High model’ for Mt Druitt. Price noted his ‘regrets that the Teachers Federation successfully fought the introduction of a senior high school with junior feeder high schools ten years ago’ and he urged the Federation ‘to change their entrenched opposition to all high schools other than comprehensive high schools even when they are collapsing’ (Price 1998, p.7804). The Federation’s tactics in
the dispute seemed to take some cognisance of Price’s view in that the issue was being handled increasingly in industrial terms over staffing, workload and redundancies. An analysis of the way such reorganisation would affect union organising and the drift to private schools was muted in Federation’s public statements.

The Minister released the plan for the Mt Druitt collegiate, *The Way Forward: from preschool to employment*, in the week of 5 August. It justified the reorganisation in similar terms to the Nirimba plan: closer industry, TAFE and university linkages, ‘participation and excellence in sport and the creative and performing arts’, and greatly expanded curriculum options for senior students (Laughlin 1998, p.1). The last was the main point in a Departmental pamphlet produced to expound *The Way Forward*. Again, the cost saving from larger senior classes still seemed to underpin the Department’s actions (NSW DET 1998e). The Department emphasised that the reorganisation would address ‘equity issues’, but this resolved itself into providing ‘this very needy group of young people with a lift in aspirations and opportunity’ (Laughlin 1998, p.2). The title of the pamphlet also played on general working class anxieties about unemployment and seemed to offer school reorganisation and vocationalism as solutions. The Department emphasised that ‘extensive consultation with the educational and local community’ had occurred (NSW DET 1998e), but the Federation and teachers in the affected schools had not been consulted by the Department before the plan was made public. The plan was treated by the Department as a fait accompli and it was to commence at the beginning of the 1999 school year (that is, within six months). The Department met the Federation’s concerns about staffing and workload issues by promising that neither staff numbers nor resources would be reduced (NSW DET 1998e). Without a willingness to argue on the grounds of equity arising from the existing small senior classes and the potential fillip to private schools that an exit point at Year 10 and the then considerable travel required across suburbs by students to attend Years 11 and 12 could give, the Federation was reduced to monitoring the Department’s commitment to meeting the Federation’s industrial concerns.*

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*The collegiate systems not only gave exit points and travel problems that could increase the drift to private schools. In fact, such a situation could cause a drift out of the schools altogether. On 17 July 2000, the *Sydney Morning Herald* reported that up to half of Year 11 students at Chifley College (the Mt Druitt collegiate) were not attending classes on some days. At Seven Hills High, part of the Nirimba Collegiate, Year 7 enrolments had fallen from over 100 students in 1998 to 65 in 2000. Other junior high schools in the Nirimba Collegiate also registered falls in enrolments (Noonan 2000a, p.1).*
The AMES campaign featured in the Federation’s first SkyChannel meeting to be attended by both teachers and parents. The meeting was held in the form of a stop-work action on the morning of 17 June. Almost 19,000 teachers heard Federation President, Sue Simpson, contend that while the Federal government had increased funding to private schools, cuts had been made in real terms to public schools and TAFE. The AMES situation was symptomatic of the Federal government’s attitude towards public education, according to Simpson: ‘in two weeks’ time 500 teachers of English to adult migrants and refugees will lose their positions in a service which has provided quality public education for over 50 years. Education is now being treated as a business, to be run by the lowest bidder’ (Bentley & Johnson 1998, p.6).

Ros Brennan, President of the NSW Federation of P&Cs, also addressed the SkyChannel meeting. She said that destroying public education would ‘entrench poverty and protect privilege.’ According to Brennan, the government had four steps to destroy public education: undermine public confidence by questioning the competence of public schools and their teachers, promote choice, shift money to private providers in forms such as vouchers, and end equity programs. At the same time, ‘privatisation’ wasn’t about efficiency, ‘it’s for creating fear and uncertainty, and ultimately compliance.’ Brennan summarised such developments as ‘designed to entrench privilege, and create intractable disadvantage’ (Brennan 1998). Peter Wilson, a Federation Organiser, put the case that privatisation ‘allows for segregation and exclusion of children depending on their backgrounds.’ This could lead to ‘a more divided and intolerant society’ (Bentley & Johnson 1998, p.6).

More pointedly, Jennifer Leete (Federation Deputy President) and Julie Collins (P&Cs Deputy President) made the case that the pressure on State governments to reduce expenditure meant that such reductions would come from the ‘really big ticket item in the budget’; the total schools’ salaries bill. Leete and Collins then put forward the culturalist argument that what would be lost in Australia through the ‘privatisation’ of education would be the ‘critical role which public education has played in promoting the more egalitarian and socially cohesive democratic society’ (Leete & Collins 1998). Such untestable culturalist rhetoric about public schools and democracy, typical of some sections of the anti-state-aid lobby, was contradicted by the authoritarian way the Department and
public schools were run, their centralised and competitive curriculum, and the stark inequalities of Australian society that they seemed unable to alter.

The meeting endorsed a Federation-inspired motion for joint teacher and parent committees to be formed at a local level to publicise the cuts to public education. John Morris, a teacher activist with POPE, noted that such a weak motion was really about ‘building support for the election of a federal Labor government.’ Rank-and-file anger was not reflected in the motion, according to Morris: ‘Teachers at the Randwick meeting called for a 24-hour strike in July. Ten Sydney meetings endorsed a rally at Bankstown AMES’ (Morris 1998, p.11).

By 29 June a redundancy, redeployment and retraining agreement had been reached between the Federation and the Department for the 500 displaced AMES teachers, which sealed their fate. Both the NSW government and the Federation had been unable to reverse the partial contracting-out of AMES, but the Federation continued campaigning around AMES, probably in the hope of causing further embarrassment to the Federal government in the lead up to the election.

Once more, POPE took direct action by holding a rally outside the Bankstown AMES centre on 26 June (POPE 1998). Sixty teachers and supporters attended (Morris 1998, p.11) and burned an effigy of David Kemp. POPE organised a rally and picket at two AMES centres at Parramatta and Auburn on 11 July. The action was endorsed by Federation Annual Conference and involved sixty teachers and supporters drawn from AMES and TAFE. ACL intended to move into the premises on Monday 13 July and enrol students, but prior notice to ACL of the rallies and the picket at Auburn prevented the installation of furniture and equipment (Wakefield 1998, pp.1&2) and entry to the buildings was made more difficult by damage to the locks. The rally was addressed by Federation Deputy President Barry Sexton. Further smaller protests on 13 and 20 July encouraged some students to transfer to the remaining AMES centres (Wakefield 1998, p.2). Nevertheless, action around the contracting-out of AMES was petering out.

POPE decided to take up the Federation’s call for parent and teacher campaigning by inviting Bev Baker, the new President of the NSW Federation of P&C Associations, to speak at a ‘Politics in the Pub’ meeting at Springwood on 20 June. Bob Treasure, convenor
of POPE, also addressed the meeting. Baker focused on the privileged and privileging role of elite private school education and the key role of ‘user pays’ in this process, but also attempted to convey the economic thinking behind state aid (Baker 1998, pp.16-17). She noted the movement towards a voucher system through the evening-up of government funding to public and private schools and pointed out that “‘pay as you learn’ is the way of destroying working conditions, wages, for not only those in the educational industry, but across trades and professions’ (Baker 1998, p.19). For Baker (1998), the market forces unleashed by the ‘privatisation’ of education would have some parents choosing the ‘best’, and others choosing the cheapest. She linked this to ‘wages for a start: hours, terms and conditions’ (p.19) and saw this as a logic that the government could operate ‘across all of the trades’ (p.20). Baker did not elaborate on her insight into the economic and fiscal basis for state aid, nor did she specifically link it to the attack on unions that had to be its concomitant. She finished her speech with the slogan: ‘If private providers are so good, let’s privatise the private system before we start privatising the public one’ (p.20). The logic of this attitude towards the state aid strategy seemed impeccable. It attempted to draw a clear demarcation between the nature of the private school sector and the public school sector.

Bob Treasure, convenor of POPE, exposed the considerable quantity of state aid private schools received, gave a brief history of state aid, and criticised private schools’ promotion of religious sectarianism. For Treasure, a measure of private schools’ ‘freeloading’ on the public system was the automatic flow-on of public teachers’ pay rises to private school teachers through the NSW Education Act’s 25 per cent recurrent funding provision. This had led to higher salaries in schools like the elite private Newington College which had given their teachers a 20 per cent salary increase over four years (compared to 16 per cent for public school teachers) (Treasure 1998, pp.1-9). Treasure’s broad-brush analysis commented on the link between parental anxiety and private school choice, criticised the IEU’s duplicity in accusing the Teachers Federation of racism and anti-multiculturalism for its anti-state-aid policy,* and noted the media’s down-playing of serious incidents in private schools.

Treasure underlined the fundamental difference between private and public schools: ‘The bottom line is this: that the strength of private schools is in their exclusivity, in being able to exclude. The strength of public schools is the opposite – in their inclusion, is in their capacity to take all, and try to deal with all as best they can’ (Treasure 1998, p.10). It was precisely this difference that Kemp had been able to use to marginalise public schools through the centralised testing and reporting program and ‘standards’ debate, although Treasure did not draw out these links. Treasure’s contribution made clear that state aid and the cultural divide between public and private schools were seen by some as the nub of the malaise in public education. A Teachers Federation activist, he had shown that POPE always had been keen to work with parents against state aid – a tactic decisively undertaken by the Federation only in the previous six months – and that POPE would attempt to make the state aid issue the priority for the Federation. The urgent need for this tactic was in part due to the bipartisan parliamentary support for state aid, which Treasure felt could play into the populist politics of grievance of Pauline Hanson’s One Nation Party. Treasure feared that Hanson would ‘come out and say just what we say. That is: “We support cutting money to the elite and we support public education”’ (Treasure 1998, p.14). If the state aid struggle could be used to promote a far-right political agenda, then the political stakes were very high indeed.

The bipartisan nature of support for part of the state aid agenda was exemplified by Federal Labor MP, Rod Sawford, in parliamentary private members business on 22 June. Perhaps in a misguided but well-meaning motion, he moved, in part, that the public comprehensive school system ‘is inappropriate for a majority of students at a secondary level,’ supported this by asserting that the lack of school choice had driven students into the private school sector, and called for the re-establishment of technical and single-sex public schools (Sawford 1998, p.5028). Rather than bolster the public system, Sawford had capitulated to the Coalition government’s notion of ‘choice’ and the perception of public schools as the dumping ground for students suited only to vocational education. When public education had such ‘friends’, it hardly needed enemies. The Federal Opposition’s tacit support for state aid meant that the best they could do for public education was to suggest retrograde faux pas. For Labor, private ‘choice’ and the state aid that followed appeared to be sacrosanct.
The Independent Education Union (IEU), anticipating a late 1998 Federal election, began to campaign against what it called ‘an angry and divisive campaign opposed to the funding of non-government (including Catholic) schools.’ According to Dick Shearman (1998a), IEU General Secretary, ‘Teachers, support staff, and parents in NSW Catholic schools are very aware of the intense media reporting…’ characterised by ‘renewed hostility to our schools’ (p.2). The Federation’s official position was that government funding of elite Category 1, 2 and 3 private schools should cease, but the IEU campaigned to mobilise Catholic systemic (Category 10) supporters of state aid.

The IEU rejected the ‘current false claims…that money cut from the State sector [under the EBA] is transferred as extra grants directly to the non-government sector and that Catholic schools receive more public funding than government schools!’ (Shearman 1998a, p.2). The latter point by Dick Shearman was a reference to the media publicity when Federation researcher Sally Edsall incorrectly claimed as much in August 1997. However, the Federation had not run any campaign explicitly against Catholic systemic schools – indeed, tactically this always had been anathema within the union because a small but significant proportion of public school teachers had their children in Catholic schools, and there was a popular perception that, as in the 1960s and 1970s, there actually were poor Catholic systemic schools. Federation tacticians also understood, if less clearly, that the Catholic systemic schools could be used as a smokescreen for the continued funding of the elite private schools. In fact, the Federation’s tactical change in policy from blanket opposition to all state aid to one opposing state aid for elite private schools was made precisely to avoid the ‘all or nothing’ position on state aid previously existing in Federation policy. That policy had tended to become moribund in terms of effective campaigning around state aid because of the way it divided Federation’s membership and united the private schools. Notwithstanding the subtleties of such a policy shift, the IEU continued to use ‘poor’ Catholic schools as a source of activism for state aid in general.

Shearman’s fear of the extent of the campaign against state aid meant that he went so far as to assert that ‘The attack on the funding of Catholic schools is part of a wider campaign. For example, in the lead up to the Republican Convention, considerable effort was made by some to give only government schools a formal protection in the Constitution’ (Shearman 1998a, p.2). One of the charges against state aid for Catholic schools in the 19th Century was that it supported hotbeds of republicanism in Catholic schools – now it
seemed that republicanism was a tainted undertaking. And it was as if the High Court’s
guarantee of state aid constitutionally in the Australian Council for the Defence of
the IEU recognised that ‘Other sectors of education [meaning the public schools] equally
have legitimate needs (which they have every right to advocate)’ (Shearman 1998a, p.1),
nevertheless, such ‘legitimate concern…should not be misdirected at an underfunded
system such as Catholic systemic schools’ (p.2), but should be directed at ‘a combined
approach by the teaching unions and parents aimed at improved funding for all sectors of
education as a fundamental social good…’. This was ‘the approach the IEU would prefer’
(p.1). Indeed, this had been the historical position of the IEU, but had lost some of its
persuasive power as all funding to private schools increased, while funding to public
schools moved towards stagnation.

Prime Minister Howard’s speech on 10 July at the private St Paul’s School in Bald Hills,
Queensland, covered similar territory to Kemp’s speech in May. However, there was a
divergence between the connecting themes of the speeches. While they both emphasised
notions of choice and diversity and associated these with democracy, Howard focused on
values, while Kemp had focused on ‘practical’ issues of structure and governance. Teacher
unions were less of a concern for Howard than ‘the values that bind us together’† (Howard
1998, p.2), which were found in ‘those four wonderful diggers’ from World War One (p.4)
whom Howard had met a fortnight before at Kirribilli House. The old soldiers possessed ‘a
strain and a character and an attitude to life that was unmistakably Australian and
something that all of us in different ways share and hang onto’ (p.2), which centred on
‘mateship’, by which Howard meant ‘the tradition of treating people fairly on the basis of

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† This was not to say that trade unions were far from Howard’s thoughts. In 1985, he stated, ‘Confronting the trade union
movement is not some end in itself, but I recognise that to free up the labour market some reduction in trade union
power in certain areas will be needed.’ In 1990, at a conference held by the neo-liberal, conservative think-tank, the
H.R. Nicholls Society, Howard stated, ‘The key to changing the [industrial relations] system and freeing up the labour
market is undoubtedly the voluntary agreement’ (Stephens 1995, p.1; Howard 1990, p.3).
their contribution to society’ (p.1). Of course, such a definition simply begged the questions of the nature of fair treatment and what was meant by a ‘contribution to society’, although he did emphasise treating people ‘according to their worth’ (Howard 1998, p.1). But most of his speech was an extended discussion of his personal values as well as those of his government and political party, that is, what they considered to be ‘worthy’ values. The ultimate ‘value’ of that ‘worth’ was that Australia could become ‘the largest financial centre in the Asian Pacific Region after Tokyo’ (Howard 1998, p.2). This was the most practical statement Howard made about Australia’s future and it showed the centrality of neo-liberal economic restructuring to his government’s actions.

The values Howard (1998) commended included ‘private enterprise and individual liberty’ and ‘competition’ and they were exemplified by private schools like St Paul’s: ‘You see in the independent school system of Australia, a great demonstration of competition within the education sector.’ Howard noted that while he was educated in the government sector, he valued the choice to educate his children in the independent sector,* which was underpinned by ‘Tolerance of people, acceptance of people, irrespective of their race, their religion, their national background or their political belief, [and] is a cornerstone of a fair Australia† (p.3). A certain conceptualisation of social diversity seemed to hold no fears for the pro-state-aid lobby, as incongruous as it was with their schools’ ability to select and exclude.

One of the reasons Howard (1998) gave for changing the New Schools Policy was ‘to make it possible for more low fee paying schools to be opened in Australia.’ He did not want ‘a monopoly of education in the hands of government, nor do I want independent school education to be the preserve of people who can afford to pay a certain level of fees’ (p.3). This ignored the fact that the elite private schools had maintained fee levels that excluded the vast majority of people and that the ‘low-fee’ independent schools were quite different schools serving a quite different clientele in comparison to the elite independent schools. It also ignored the monopoly government had in determining school curricula.

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* Howard’s sons were educated at the elite private Shore – Sydney Church of England Grammar school on Sydney’s wealthy North Shore. In 1999, Shore received $1,958,710.15 in recurrent state aid (Stephens 1995, p.1).

† US academic Richard Brosio (1993) distrusts such celebrations of ‘difference’ when proclaimed by the powerful: ‘there is no assurance that promoting difference is automatically progressive, or that it leads to a genuine democracy…. The predicament caused by the…splintered realities within the…superstructure of late capitalism does not bode well for…democratic civic life…. especially because of the absence of a unified…, empowered opposition’ (p.8).
Finally, the core values that he found at St Paul’s were ‘Christian principles’. Indeed, Howard (1998) positively noted that these were ‘at the centre of the values that you have imbibed during your education here’ (p.3). Howard’s appeal to the ‘digger myth’ of ‘mateship’ and a ‘fair go’ (and his two uses of the term ‘equality of opportunity’ also seemed to have elevated that phrase to the level of an education myth; see Poynting & McQueen 2003) appended to the conservative notions of Christian values and an emphasis on business principles, such as competition and private enterprise, produced that seemingly contradictory ideological mix consisting of neo-liberal and conservative values that had come to the fore under US President Ronald Reagan, which Apple calls ‘authoritarian populism’* (Apple 1988, p.171; Apple 1999a; Apple 2001). Such a mix, I would suggest, was the result of the uncomfortable relationship between a conservative state seeking to regulate labour within an uncontrollable free market. Such ideology was cleverly articulated within United States evangelical Christianity, one of whose tenets was that, according to Apple (2001, p.157), ‘If the existing public school system cannot be made to support such Christian beliefs, then school choice programs such as vouchers provide one of the keys for changing what children will learn and how they will be taught.’ In this climate, private schools were to form the vanguard in conservatising sections of the working class to deflect their appreciation of the concomitant neo-liberal restructuring of the economy. Religion generally had few analytical tools that could clearly expose the neo-liberal rationale and most institutionalised religion operated in a more-or-less authoritarian, or even autocratic, manner. This was the connection between the mode of operation of the neo-liberal state and other intermediary conservative organisations.

Ironically in terms of choice of curricula in Australia, concomitant with Federally-funded ‘choice’ of schooling had come a strengthening of centralised testing and reporting – potentially narrowing pedagogical ‘choice’ and measures of educational ‘excellence’. For those parents only able to choose the cheapest private schools, which tended to be the most religiously-conservative, this meant for their children a conservative religious education grafted onto a curriculum narrowed to conservative academic ‘fundamentals’. Under the

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*In 1995, journalist Tony Stephens described Howard’s values thus: ‘He has liberal views on some issues, such as financial and labour market deregulation, and conservative views on others, such as social issues’ (Stephens 1995, p.1; see also Cockburn 1989, p.35). Stuart Hall characterises authoritarian populism as a ‘combination of the imposition of social discipline from above…and of populist mobilization from below – the combination I have…characterized as “authoritarian populism”’ (Hall 1988, pp.40-41).
A populist guise of ‘choice’ was the reality of the state funding the ‘choice’ of already-existing or new conservative religious schools and the imposition of a more narrowly conservative curriculum. State aid underpinned a conservative cultural assault on the working class,both students and teachers. To make this cultural assault more complete, working class intermediary representative institutions, such as trade unions, that could offer alternative understandings of histories or societies were to be marginalised. In schools’ policy, determination of the structure and most of the content of the curriculum had been removed from local development and from meaningful negotiation with teacher unions.

‘Choice’ was an important hegemonic term because it concealed the state aid strategy. As Apple (2001, p.168) suggests, how could a government be authoritarian when it was so strongly committed to choice? The political aim of the state aid strategy (as against its economic aim) was to produce a conservative working class by limiting the curriculum to a culture of individual advancement – at the expense of others, if need be, and increasing modes of participation in education that might also fragment that class. This was the logic of Social Darwinism (with education providing ‘positional goods’; see Marginson 1997b), later defined as ‘aspirational’. In its actual rhetorical manifestation, as here in Howard’s speech, authoritarian populism was complicated by the clash between its basic antipluralism and simultaneous insistence that everyone’s values should be responded to equally (Apple 2001, p.161); that is, its use of democratic notions to justify undemocratic principles.

Paedophilia in private schools once more asserted itself in 1998. Following the revelations of the Wood Inquiry (1994-1997) into police corruption in NSW, allegations of paedophilia had become a useful point of convergence for the media, government and school authorities. The Inquiry’s investigations encompassed paedophilia (Royal...
Commission 1997, pp.1-3) following allegations of police concealment of the activities of the notorious paedophile Robert ‘Dolly’ Dunn, a former science and discipline master at Marist Brothers College, Penshurst (Connolly 2001, p.2). Similar allegations were raised about the police Special Branch’s relationship with NSW Supreme Court judge David Yeldham. Yeldham had been educated at the elite private Knox Grammar School and had been a committee member of the Association of Independent Schools from 1970 to 1974 (Draper 1985, p.927). The Wood Inquiry’s terms of reference were broadened in 1996 to investigate responses to paedophilia in ‘government departments and agencies’, yet the final report ranged wider to include ‘the existence of practices involving churches, government and non-government schools’ (Royal Commission 1997, p.12).

Considering the activities of the Department’s Case Management Unit and the raft of new legislation that required detailed incident reporting and investigation, extended the definition of child abuse and implemented police record checks of teachers, it is not exactly clear why the Federation was reluctant to make media capital by campaigning on the issue of child abuse in private schools. The link between private school unaccountability and the practices that could arise there because of this was never raised by governments, the media or by the Federation. Perhaps fear of a continued ‘child protection’ witch hunt in public schools may have silenced Federation officials, but it is difficult to gauge how much more of a witch hunt could have been undertaken against public school teachers.

The most pointed media reference to the link between private schools and paedophilia, though still far from touching on notions of private school accountability or culture, was in an article by journalist Richard Guilliat in the *Sydney Morning Herald* on 22 August. Guilliat (1998) wrote:

…it’s striking how many of Wollongong’s pederast offenders were products of this [Catholic] school system. The most infamous of them, former mayor Tony Bevan, went to the Christian Brothers College around the same time as Frank Arkell, as did Brian Tobin, a city councillor who later became a regular customer of Bevan’s teenage male prostitutes. Father Peter Comensoli, the Wollongong priest convicted in 1994 of sexually assaulting an 11-year-old and a 16-year-old boy, went there in the early 1950s, and Brother Michael Evans, one of the Catholic Church’s most flagrant molesters, was the school’s principal in the 1980s after it was renamed Edmund Rice College. (p.23)
Tales of private school staff involvement in paedophilia continued to appear, but no editorial comment ever connected the culture of secrecy and unaccountability in private schools to such dismal events. Certainly, the pattern of cases such as those described by Guilliat had never occurred in any public school. Yet, in 1999 Edmund Rice College received government grants totalling $4,101,060 and there appeared to be no ‘market correction’ by parents enrolling their children there; ‘market information’ clearly had no effect on raising school quality. Comparative information relating to child welfare, in which public schools had an exemplary record, remained unavailable to the public.*

In a discussion paper for his organisation in late August, Rodney Molesworth, Publicity Officer for the NSW Federation of P&C Associations, gave a brief but comprehensive critique of the manner in which governments had intervened in and restructured public schools. The discussion paper began with the P&Cs’ policy on school and system organisation, which supported a ‘strong and viable’ public school system and noted its values to be ‘tolerance, fairness, egalitarianism’ and ‘equitable outcomes’. The policy called for active campaigning by P&Cs, especially against ‘manufactured crises’, such as those formed around literacy, numeracy and criminality in public schools. The policy pointedly stated: ‘Federation [of P&Cs] rejects the application of the theory and practice of markets to education.’ The competition between schools at the heart of education markets was ‘wholly destructive: it is inefficient, ineffective and wasteful, it destroys community value, it weakens comprehensive education and instead creates concentrations of advantage and disadvantage to the detriment of outcomes’ (Molesworth 1998, p.[0]). This was quite a clear description of the processes affecting the public system, but made no real comment about why governments wanted to disrupt that system or render it ineffective, and only touched on state aid in passing.

Molesworth’s (1998) description of the ailments of the public system was followed by a demand for the NSW government to enhance the representation of parents and students in

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* Child abuse allegations could also be used to harass and turn over staff, especially if the onus of proof on the employer were reduced. Acting NSW Ombudsman, Chris Wheeler, released a report in May 2000 into the Department’s handling of child abuse allegations against public school teachers. The report criticised the ‘impossibly high level of proof’ required to take action against accused teachers because the Industrial Relations Commission or courts required an allegation to be ‘proved to be beyond a reasonable doubt’. The report recommended a ‘risk management’ strategy be used instead where ‘if an allegation of abuse…had not been proved, but department officers still thought there was a risk, they would be able to take action.’ In other words, the Department could override the right to habeus corpus simply by dint of the employer/employee relationship (Baird 2000d, p.9).
school decision-making in partnership with teachers (p.2). Such radical democratic egalitarianism had ebbed in the Teachers Federation over the 1980s, yet the manageable concerns of the P&Cs’ were being addressed superficially by governments. Apparent parental under-representation in school decision-making had been increased with the establishment by the former NSW Coalition government of school councils and by providing for parents to sit on school staffing panels. However, the unfamiliarity of most parents with school procedures, policies and industrial concerns tended to bolster school Principals’ decision-making power in those forums and to facilitate Principals’ ability to override staff concerns by playing them off against those of parents.” These ‘democratic’ reforms in schools had an authoritarian outcome.

Molesworth (1998) grappled with the conundrum that the Federation of P&Cs supported dezoning (also introduced by the former Coalition government), but rejected ‘marketisation’ (Molesworth 1998, p.2). Molesworth argued that “Choice” doesn’t extend the options available to parents, it reduces them’ by giving schools the ability to choose their students and by allowing the privileged to pay for certain schooling options. He cited formerly conservative United States intellectual, Michael Lind’s, 1996 book, Up from conservatism: Why the right is wrong for America, to expose the way the term ‘choice’ was ‘deliberately co-opted for propaganda purposes by political extremists.’ Molesworth’s discussion did not address how dezoning, that is, consumer mobility, was not actually predicated on market logic and how the P&Cs’ demand for dezoning should not lead to ‘a whole raft of market-competitive and socially stratifying policies ultimately directed at the privatisation of public education’. For Molesworth (1998), public schools in NSW could be dezoned, yet not opened to ‘user pays’ (p.2). However, dezoning had strengthened the ability of high-demand public schools to choose their students – a situation to which Molesworth objected. There had even been some differentiation between high and low demand public school ‘voluntary’ fees (from <$50 to $450) – so much so that NSW Coalition Education Minister, Virginia Chadwick, had ordered a limitation on public school fee increases in 1994 after their deregulation under Metherell (Lewis & Llewellyn 1994, p.3). What escaped Molesworth’s notice was that dezoning also acted in part to

*Smyth and Shacklock (1998) characterise this as ‘pseudo-participation and quasi-democracy’ (p.23). And ‘although the free market espouses deregulation and competition, the imposition of a market model onto school management and especially onto the role of the principal in fact imposes regulation and control’ (Sullivan 1994, quoted in Smyth & Shacklock 1998, p.100).
legitimatised the way private schools had always operated, that is, through selection, exclusion and user pays.

Formal cooperation between the Teachers Federation and the Federation of P&Cs led to a joint public meeting at Penrith RSL club on 26 August. Speakers included Bev Baker (President, NSW Federation of P&Cs), Sue Simpson (Federation President), Federal Liberal MP Kerry Bartlett, NSW Legislative Councillor John Ryan, representing Liberal MP Jackie Kelly, Labor MP Frank Mossfield, local Labor candidate Kathie O’Toole, and Democrat candidate Jon Rickard. Over two hundred parents and teachers attended, showing the effectiveness of the cooperative effort in publicising the meeting, as well as the interest revealed (not least by the politicians) in such a meeting in what was predicted to be an election year. The speeches by the politicians pointed up one of the difficulties of anti-state-aid campaigning: not only was there little overt disparaging of public education in any of the speeches – perhaps worst was Bartlett’s echoing of Kemp’s support for choice and competition – but all the politicians could point to their individual support for public education: Bartlett had been a member of the Teachers Federation (and the IEU), Ryan’s children attended public schools, Mossfield supported ‘needs based’ funding, O’Toole was a public school graduate, and Rickard was a teacher at Springwood High School (Barnes & Gavrielatos 1998, p.5). Unless the campaign against state aid exposed the structured effects of the state aid strategy, then individual antagonists could usually find some example of their support for, or at least their lack of animosity towards, public education.

The meeting at Penrith launched the Federation’s election campaign by providing a ‘Public Education Kit’ that carried the slogan: ‘Public Education: Quality worth fighting for!’ This was rather strong wording for a Federation slogan and underlined the Federation’s resolve to remove the Federal Coalition government. A leaflet in the kit ran the culturalist argument, with a little anti-elitism included, that ‘A safe, fair, tolerant, cohesive and democratic Australia requires a quality, well funded, public education system’, encapsulated at the bottom of the front page in the slogan ‘Learn together to live together’ (NSWTF 1998f). As Kemp’s and Howard’s speeches showed, diversity and tolerance were hardly depreciatory terms for the state aid lobby, but the Federation called for inclusiveness as a marker of multiculturalism, while the private school lobby emphasised separatism as indicative of multiculturalism.
The Federation’s call in the leaflet for a ‘democratic Australia’ and its supposed link to the public education system (NSWTF 1998f) was problematic, because the state-controlled, centralised, and bureaucratic public school system could hardly be democratic, nor could it be clearly demonstrated that democracy was fostered in such an environment. While a call for democracy was less open to contending interpretations than a call for tolerance or diversity, for Kemp and Howard it meant choice, test-based accountability and the marginalising of intermediary representative institutions.

The leaflet listed six points describing the virtues of public education, emphasising its openness and accessibility, and listed four campaign demands, some of which were not particularly contentious. For example, point two stated, ‘That students in public education have an absolute right to free, compulsory, secular education with a rich and diverse curriculum’ (NSWTF 1998f). Despite some attempted retreat from parts of this by the Federal and State governments, it was still an apt description of the situation in public schools and was in fact enshrined in the NSW Education Act. Point three, the most explicit reference to state aid, affirmed that public education should be ‘fully resourced before resources are given to private providers’ (NSWTF 1998f). Again, the question was begged, what level of funding constituted the full resourcing of public schools? The same rhetorical impasse occurred here where any government could reply correctly that in terms of the AGSRC no private school received as much per capita funding as any public school.

The campaign kit contained further leaflets, including the Federation’s 1998 Annual Conference decision entitled ‘Public Education: Public Benefit’ and other leaflets explaining in moderate detail the situation in AMES, the niggardly funding of the Common Youth Allowance and its victimisation of the young unemployed, the underfunding of vocational education and training in schools, and the cuts to TAFE funding since 1996. A summary of cuts to public education included the statements that ‘Both State and Federal Governments are subsidising rich private schools at the expense of the majority of parents who send their children to our public schools’, and that the EBA meant that ‘Money is being taken away from public schools and given to private schools’ (NSWTF 1998f). Both statements were rather disingenuous in their conflation of different mechanisms and policy moves by governments and they once more begged the question of funding relativity: what exact level of state aid was an unfair subsidy to private schools? The leaflets oscillated...
between the Federation’s earlier policy of opposition to any state aid and its new policy of ending state aid to the richest private schools.

The Federal electioneering content of the leaflets was also clear. While ‘governments’ were criticised in the Annual Conference resolution, the Labor Party was mentioned by name only once in the leaflets and that was to commend it and the Democrats for having had some success in amending the Common Youth Allowance legislation (NSWTF 1998f). The fact was that the NSW Labor government had been as recalcitrant on slowing state aid as the Federal government and had done nothing substantial to reverse Canberra’s resourcing policies. The Federation’s need to defeat the Coalition government meant that forces within the Federation were limiting their criticism of the Labor Party to make the differences between the major parties seem more apparent. Such a blunted and disingenuous critique, especially on the bipartisan support for state aid, probably rendered such campaign leaflets less effective than they might have been, when public meetings such as that at Penrith criticised both governments’ neglect of public education and generous funding of private schools. Indeed, parents and teachers seemed less interested in the finer points of the AMES and other disputes than elitism, its seeming link to state aid and the downgrading of public education that appeared concomitant with state aid (Author’s notes 26-8-1998).

As if to cock a snook at the growing campaigns across Australia against state aid, five Catholic bishops visited Catholic Coalition backbenchers in Canberra in search of increased state aid for their school systems. They discussed the concerns that some Coalition front benchers had expressed about ‘the activities of Catholic social justice organisations’, when spokespeople in religious agencies, agencies now increasingly contracted by government to deliver education, welfare, advocacy and employment services, had publicly criticised the government’s policies on aged care and welfare. The upshot was that the bishops were told informally by Schools Minister Ellison’s office that Catholic systemic schools would be shifted from Category 10 funding to Category 11, guaranteeing those schools a further $80-90 million Australia-wide (McGregor 1998, p.3). The Category shift had apparently been recommended by an independent review committee consisting of representatives from DEETYA and private schools. In an AEU press release on 25 August, President Sharan Burrow described the agreement as ‘vote buying’ after ‘lobbying from the Catholic hierarchy in the run up to an election. This is
essentially an election bribe to win over Catholic voters at the expense of universal education” (AEU 1998b). For the first time, the AEU president publicly put a $2 billion figure on the extent to which public schools nationally were ‘underfunded’. Burrow labelled as an ‘obscenity’ the fact that more government funding was being provided to reduce the ‘alleged poverty in Catholic schools’, when the majority of the poorest children in Australia attended public schools. Burrow also attacked the EBA which would ‘slash $121.3 million from public schools [across Australia] by 2001.’ The Coalition’s proposed Goods and Services Tax (GST) would also disadvantage public schools in relation to private schools (AEU 1998b).

Sally Edsall revisited the Diocese of Maitland-Newcastle’s 1997-98 schools’ budget in Education on 14 September, showing that 91.4 per cent of the diocesan schools’ income was from State and Commonwealth grants. The remainder came from ‘parent contributions’ (school fees) and ‘other receipts’. This was compared to public schools, 93 per cent of whose funding came from State and Commonwealth grants and the remainder from parent and community contributions. On a system-wide basis, Catholic schools were receiving from government almost as much per capita funding as the public school average. The state aid differential between a public and a Catholic school seemed to rest on little more than parents contributing 1.6 per cent more funding to their ‘private’ Catholic schools than parents contributed to public schools (Edsall 1998b, p.4).

Edsall’s revelations clearly indicated that a voucher system existed for some Categories of schools, but unlike the Friedmanite free-market style where the voucher would pass through the hands of parents, in Australia the government directly funded private schools on the basis of February and mid-year enrolments. Unlike the media uproar in 1997 that accompanied the Federation claim on the basis of Edsall’s research that Catholic schools received more government per capita funding than public schools, there was little outcry about the new calculations which suggested that Catholic students received almost as much per capita funding as public students. Indeed, the Maitland-Newcastle diocese had declared a surplus of $1.9 million for 1997, giving even greater weight to the claim that funding

* After the Coalition’s loss in the 1993 Federal election the Liberal Party deliberately set out to woo the Catholic vote, according to journalist Milton Cockburn. At the 1996 Federal election win, the Coalition government included 15 Catholics, including Liberals Brendan Nelson, Tony Abbott and Joe Hockey. In 1974, there were only two Liberal Party Catholics in the Federal parliament. In NSW, Catholic Liberal Party leaders included Nick Greiner, John Fahey,
between the sectors had reached equivalence at the lower Category levels. Surprisingly, the Maitland-Newcastle diocese’s annual accounts also stated that a 7.5 per cent increase in tuition fees had been approved (inflation ran at about two per cent across 1997-98) (Malone 1998). It seemed that the perennially ‘poor’ Catholic systemic schools by significant improvements in their resourcing levels were part of the marginalising of public schools, not to mention the exclusionary force that such increases in fees would have on the poor’s ability to exercise school ‘choice’ in the Maitland and Newcastle area, further positioning public schools as dumping grounds for the poor.

The disquiet of the Department with regard to teacher activism was made explicit in a memorandum to Principals on 18 September, which expressed concern at staff ‘writing directly to Members of Parliament’ on issues such as staffing and school organisation, as in the Nirimba and Mt Druitt cases. The memo’s ostensible point was that representations to MPs would be sent on to the Education Minister and cause ‘additional and unnecessary work.’ Protocol was that requests should be forwarded to the District or State offices of the Department (Burke 1998). The Federation took issue with the memorandum, asserting that it could mean ‘denying teachers their rights as citizens to participate in the democratic process.’ The Federation felt that it was ‘a cynical attempt to silence teachers six months from an election,’ and that ‘Working through established procedures made greater sense when governments accepted that their prime responsibility was to the funding of the public education system’ (MacGregor for Hennessy 1998, p.1). This drew direct attention to the implications for public schools of state aid. It showed the political ramifications of governments’ state aid strategy; a strategy that no significantly large constituency actively supported. Such a process was to be carried through by resorting to the undemocratic measures possible in the employer/employee relationship. The Federation went further:

> It has been made clear to the Federation by Members of Parliament that in fact there is a bidding war for public funds for education and that the supporters of public education are being outmanoeuvred by the supporters of private schools and those who would wish to establish new private schools. Local Members of Parliament have reported how they have regular meetings with the principals of private schools in their electorates and how private school systems and teachers regularly lobby them. To deny public school principals and teachers opportunities to raise their concerns with their local Members of Parliament means that local Members of Parliament do not receive first-hand information on the needs of the public schools in their electorates. In the Federation’s view the consequences of

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Peter Collins and Kerry Chikarovski. Seven of the 13 Ministers in the last NSW Coalition government were Catholics (Cockburn 1996, p.6).
this has been the funding of private schools at the expense of public schools. (MacGregor for Hennessy 1998, p.2)

This was an important linking by Federation officials of state aid and the political manoeuvres used to advance it. Private schools were to have access to political representation, public schools were not. Indeed, following the Coalition’s Federal election victory on 3 October, the Australian Council for the Defence of Government Schools (DOGS) went so far as to suggest that the state aid agenda was the operation of a ‘Church State within a secular State [acting] for its own material advantage’ (Nilson 1998). Whether or not that was the case, the Departmental memo showed that teachers as government employees could be silenced by their employer with regard to issues that nevertheless directly affected them. The authoritarian nature of their workplace relationship with their employer was used to stifle their rights as citizens.

This was the state aid strategy as the expansion of authoritarianism: employer/employee relations were more constrained in the field of democratic participation than the formal relationship between state and citizen. Sue Simpson, Federation President, was quoted by the Sydney Morning Herald, ‘Given the fact that politicians want to monopolise control of policy-making it is inevitable that they will seek to gag or sideline or control the voice of the profession’ (Raethel 1998c, p.3). The Federation’s letter responding to the Departmental memo acknowledged the stakes in the state aid struggle, viz., the marginalising of critical democratic rights through an attack on workers’ interests and voice. Never before had this been so clearly articulated by the Federation’s leadership, showing that the actions of the POPE group and of people like Bev Baker, President of the Federation of P&Cs, were making the implications of the state aid struggle more central to the Federation leadership’s thinking and activity.

A battle over the sale of public education assets in southern Sydney became something of a cause celebre for the POPE group within Federation. The University of NSW (UNSW) moved to sell its St George teacher training campus at Oatley to the elite private Trinity Grammar school, Summer Hill. They were the preferred tenderer over the St George Christian school, Hurstville. Each school had offered the university $15 million for the 6.26 hectare site. Trinity Grammar offered a lump sum, St George a nine year repayment
schedule (Nolan, M. 1998). That both schools had such substantial financial reserves showed the depth of the resources on which they could draw.*

The University’s advertising for tenders had first become public on 11 November 1997 when it was raised on the Commonwealth Senate’s notice paper by Australian Democrat, Natasha Stott-Despoja. On 25 November, Liberal Party Senator John Tierney also raised the matter on the notice paper, as did Labor House of Representatives member, Robert McClelland, whose electorate included Oatley, on 27 November 1997. All objected to the University’s sale of the campus (Stott-Despoja 1997; Tierney 1997; McClelland 1997). However, according to McClelland, Prime Minister Howard had stated that the fate of the campus was a ‘matter of autonomy for the UNSW’ (McClelland 1998, p.7803).

By October 1998, local resident action had brought Kogarah Council’s attention to bear on the St George campus issue. The majority on Kogarah Council wanted to rezone the site to limit it to tertiary education use to preclude its sale to a private school or to a developer, but the mayor, Graeme Staas, felt that the Trinity Grammar offer ‘could be better than some other proposals’ (Nolan, M. 1998). This was in some conflict with the views of his predecessor, James Jordan, who was committed to retaining the site as a university (Tierney 1997). UNSW’s Vice Chancellor, John Niland, criticised Kogarah Council’s proposal, saying that the St George community would benefit from Trinity Grammar’s ‘strong commitment to multiculturalism’. The use of the site was to be determined by the NSW Minister for Education and Training, John Aquilina, and Minister for Urban Affairs and Planning, Craig Knowles (Nolan, M. 1998). Aquilina first proposed to transfer the site to the University of Wollongong, but this was difficult because of the financial inability of the university to use it (McClelland 1997). The Federal government’s restriction of funding to create financial crises in targeted sectors of the education industry, such as with AMES or as here with the universities, meant that often the only solution was recourse to the sale of assets or to user pays.

In the same month as the St George campus furore, the IEU celebrated its successful campaign in advancing the cause of state aid. An article in the IEU publication, News Extra, gave a triumphant summary of the boost to Catholic systemic schools’ state aid

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* These resources included in 1999 their recurrent state aid: $1,972,010.25 for St George Christian school as a Category 9 school and Trinity Grammar’s $2,365,040.86 as a larger Category 1 school (Edsall 2000).
flowing from Federal Coalition programs and policies across 1998. The article called the results of the funding policies a ‘Trifecta’ win. Three areas of funding were to increase. Supplementation, which was an automatic increase to private schools based on increased government spending on public schools – the AGSRC – in the previous twelve months, increased by 4.6 per cent. ‘Betterment’, a program initiated by the Keating Labor government to bring ‘poorer’ private schools up to a community standard, would increase from 1.8 per cent at Category 10 to become 2.1 per cent at Category 11 with the recategorisation of the Catholic schools. And that recategorisation to Category 11, a Coalition election policy backdated to 1 January 1998, would increase funding by 6.6 per cent (Shearman 1998b, pp.1-2). Existing and new government policies meant that by 1999 Catholic systemic schools could expect a 13.3 per cent increase in total government funding. If Sally Edsall’s figures drawn from the Maitland-Newcastle Catholic Schools Office in April 1998 were accurate, then government sources would now meet 107.7 per cent of the running costs of Catholic systemic schools in that area. Those schools previously may have been running at staffing or material resource levels below those of public schools, but the Maitland-Newcastle diocesan schools’ higher teacher salaries relative to public school teachers’ and the Catholic Schools Office’s declaration of an almost $2 million surplus for 1997 hardly suggested as much. Catholic school fees, rather than essential, now would become the ‘icing on the cake’ possibly to supply the curricular add-ons found in elite private schools.

The exemption of private schools from NSW anti-discrimination legislation had never been an issue of particular general interest in the anti-state-aid campaign. However, the case of six-year-old Scarlett Finney in November 1998 pushed the issue onto the front page of the *Sydney Morning Herald*. She had tried to enrol at the Hills Grammar School, Baulkham Hills, but was refused because the school would face ‘unjustifiable hardship’ in catering for a wheelchair-bound student with spina bifida. The school charged fees of up to $9,200 a year and received $974,000 government funding a year. The Finneys took the case to the Federal Human Rights and Equal Opportunity Commission because the Federal *Disability Discrimination Act* would cover her case, whereas the NSW *Anti-Discrimination Act* from which private schools were exempt would not. Part of the parents’ complaint

*In early 2000, Federal Labor front bencher Bob McMullan declared that ‘when the taxpayer funded provision of public services is contracted out the anti-discrimination laws should continue to apply.’ Tony Abbott, Liberal Minister for Employment Services replied, ‘They [the Labor Party] are guilty of practising the intolerance of religion which we all
was that the school had advertised in its prospectus that it supported students with physical disabilities. Kate Eastman, the Hills Grammar School’s barrister, argued that the ‘school is not going to accept a student if it can’t provide everything to allow that child to achieve her best’ (Horin 1998b, p.1).

The case revealed that exclusion was such a central part of private schools’ functioning that this particular school was prepared to spend considerable amounts of money on a court case and a settlement to preserve that right. Endorsed by the Association of Independent Schools, the case proceeded to the Federal Court on appeal in 2000. Over 100 people from 30 disabilities organisations demonstrated outside the court ‘demanding educational fair play’ (Lamont 2000, p.5). The case was settled later that year with court costs awarded against Hills Grammar School. The Finney’s solicitor, Alexis Goodstone, suggested that ‘Kids should have the freedom to attend public and private schools’ (Jackson 2000, p.9; see also, ABC RN 1999). However, Scarlett Finney was still not admitted to the school.

Letters to the *Sydney Morning Herald* focused on particular issues around private school exclusion. Judith King, Principal of Riverside Girls High, a public secondary school on Sydney’s North Shore, wrote that Scarlett Finney would be welcome there and only charged annual fees of $240 (King 1998, p.16). Victoria Hay from Sutherland came to the nub of the matter stating that ‘Scarlett’s case highlights the inherent discrimination in our education system. The existence of private schools has always been justified by the fact that they provide choice. The government uses the excuse of “free choice” to generously fund private schools…. However, that choice is, of course, only available to those who can afford it.’ Hay concluded by asking, ‘Why doesn’t [the government] take away the funding it bestows upon the Hills Grammar School to help the public school Scarlett attends cater for her special needs?’ (Hay 1999, p.14). And on a broader scale raising the spectre of institutional racism through private school exclusion, Brian Jeffrey of Gunnedah asked, ‘One wonders how many Aboriginal students gain access to private schools’ (Jeffrey 1998, p.16). In this case, private school exclusion underpinned by state aid served to constrict the citizen rights more-or-less guaranteed outside those institutions. The Hills Grammar

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*Scarlett Finney was admitted to Jasper Road Public School in Baulkham Hills. The school’s 640 students included 25 in a special needs unit at the school and 18 integrated students (Scott 2000, p.3).*
School’s expenditure on a long-running court case that it eventually lost showed the extent to which those private institutions would go to protect themselves from the full impact of citizens’ rights legislation. This, of course, had implications for employees’ rights and industrial relations in the private schools’ sector.

POPE announced its intention to make the UNSW’s St George campus sale to Trinity Grammar a campaign issue within the Federation. In *Education* on 23 November, POPE member Lindy Nolan (1998, p.18) declared that the Trinity Grammar/UNSW deal ‘deserves a hammering from the friends of public education,’ and that the closure of the St George teacher training campus of UNSW without replacement added ‘insult to injury’ at a time of growing teacher shortage.* She noted that Kogarah Council’s rezoning decision to make the sale more difficult looked ‘increasingly shaky…. The old boys’ network seems to stretch a long way.’

There appeared to be a split between Trinity Grammar and the St George Christian school when its principal, Susan Burrell, attacked UNSW’s preference for the Trinity bid as being based on ‘financial reasons only’ and Nolan was concerned that Trinity’s campus at Oatley would create the first Category 1 elite private school in the St George and Sutherland shires on the strategic southern rail line. The elite school would stretch ‘its tentacles as far as the Illawarra region.’ Trinity would draw students from the region’s public schools, but also affect the less-expert, especially Catholic, private schools in the region. Nolan suggested that the Catholic pro-state-aid lobby was misguided if it felt that elite private schools like Trinity did not also seek to erode their market share: ‘If allowed to succeed in its bid, Trinity would inflate its results and image through offering scholarships to academically gifted children. This would drain local public and private schools, both immediately and in the longer term…. It would certainly have no place for physically, behaviourally or mentally disabled children. They’re not profitable. They drain resources, and usually don’t attract anywhere near enough extra funding.’ Nolan restated POPE’s policy position – state aid to the richest private schools should immediately cease, there should be a moratorium on state aid increases to all private schools, no new private schools should receive state aid, *In 2001, the Department offered 235 teacher training scholarships at $4,400 each to final year university students to fill ‘critical shortages’ in staffing maths, science and technology and applied studies subject areas in public secondary schools in western and south-western Sydney and country areas (Lipari 2001, p.4).*
and funding of public schools ‘must be drastically increased’ (Nolan, L. 1998, p.18). Nolan’s call to arms was to bear fruit in the following months.

Sally Edsall produced a cogently-argued article in the same edition of Education reasserting the key differences between private and public educational provision. It was a good summary of the various arguments used by anti-state-aiders, but also showed the limitations of those arguments. For Edsall, the chief dividing line between school sectors was that public schools were ‘defenders of the public good.’ Edsall quoted the address of Anne Junor, a former Federation Research Officer, to the Federation’s 1998 Women’s Conference. Junor drew parallels between current economic rationalism and the ‘balanced budgets’ of the 1890s and 1930s that inflicted ‘great suffering’ on Australians, which were similar to the policies of governments since 1974 of implementing selectively restrictionary budgets. According to Junor, teachers ‘As public sector workers, we are custodians of the public good. We are not agents of the state, but find ourselves having to stand up to the government, on our own account, and in conjunction with other social movements.’ This marked the contradiction, overlooked by Junor, that, indeed, teachers were agents of the state, but, through organisations such as the Teachers Federation, were able to effectively resist the state not only as a social movement, but through their industrial organisation. The public good, however defined by teachers, could be promoted within the state decisively by their industrial organisation. Junor had struck the political underpinning of the state aid struggle: the retreat from democracy by government, especially when challenged by government employees. Junor did not continue this line of reasoning directly, instead arguing that ‘teachers were not servants, competing to attract consumer demand’ and nor were students and parents ‘customers’ or ‘clients’. They were ‘fellow-citizens and colleagues’. Junor did not elaborate on the notion of citizenship, but running behind her argument was the idea that state aid was an anti-democratic process (Edsall 1998c, p.16).

Edsall (1998c) took up the citizenship issue and showed concern about governments proscribing teachers’ rights with reference to the Departmental memorandum of September: ‘Correct procedures for submissions from schools.’ She gave the example of a case in Western Australia where a teacher had been suspended for writing a letter to a newspaper about school conditions. However, when it came to a broader analysis, Edsall made the same discrepant assertion as Junor: ‘it is important to remember that we are
neither agents nor servants of the state. We are citizens’ (p.16). Unfortunately, merely repeating such claims did nothing to tease out the contradiction that teachers were agents and servants of the state as well as citizens. But in the workplace, especially as public servants, it appeared they were to have limitations placed on their exercise of citizen rights.

This was the nub of the contradiction in the state aid struggle. Governments had come down decisively on one side of that contradiction with state aid. Indeed, the election platforms of both the Liberal and Labor parties for the October 1998 election had promised respectively $85 million and $255 million more for Catholic systemic schools (see, Harrington 1999, p.3). Within this decisively government-driven education regime (whether in public or private systems), all teachers were to be treated primarily as agents and servants of the state, while, nevertheless, some were actually employed in the private school sector. Teachers were to be shuffled from one sector to the other as the need arose through the use of any inducements or punitive measures the state had to hand – whether workplace-centred, financial, legislative or rhetorical. While this heavy-handed intervention may have seemed paradoxical for some ‘small-government’ proponents of state aid if they had cared to think about it, this increasingly authoritarian workplace regime was to be put in place through tightly-government-controlled curricula, policies and funding and by engaging a privately-employed, less-unionised and less-socially- and industrially-powerful workforce: the private school teachers. This situation ultimately meant that private school teachers could be even more restricted in their actions as citizens than public school teachers. This was primarily because of the greater degree of employer retribution possible in small non-unionised workplaces or through the precariousness of contract work.

* ‘Advocates of [labour market] deregulation seek to increase the significance of internal regulation at the expense of external modes. Under such a system managers, unilaterally or in consultation with their employees, would determine the rules’ (Briggs & Buchanan 2000, p.2).

† Getting common salaries and standard conditions across the private school sector was a major problem for the Independent Education Union (IEU). In its submission to the Senate Economic References Committee in 1996 the IEU complained that ‘employees in individual schools and across systems do not have access to the complexity of information which impacts upon the operation of non-government schools, and therefore upon the wages and conditions of education employees’ (IEU 1996, p.4). It noted the case of Leongatha Christian School (Victoria) that renegotiated contracts for its employees under the Victorian system that cut pay, abolished holiday leave loading, increased hours of work, reduced leave entitlements and denied union right of access to the workplace – not to mention that a failure to have an ‘acceptable standard of Christian belief’ could be used to terminate staff (IEU 1996, pp.9-10). The IEU also dealt with cases in NSW in 2002 where a teacher was arbitrarily sacked for ‘staff conflict’, a private education provider refused to pay salaries, and a school sacked all its probationary teachers (IEU 2002a; IEU 2002b;
Private school teachers were caught potentially in a double bind of intimidation around exercising their ability to speak out. Firstly, public criticism of their schools could threaten not just enrolments but also the overarching and arbitrary financial support from governments that substantially shored-up private schools’ existence. Secondly, absence of public advocacy (for example, in the form of a strong union) could prevent individual and collective resistance to an intensified and despotic labour discipline that was possible in non-unionised private schools. The last seemed a not-entirely-probable scenario in late 1998 – most private schools seemed to have had generally better working conditions and salaries than public schools. Private schools also suffered less public derision and humiliation by politicians and pundits commenting on test-based ‘failure’, literacy crises, teacher feather-bedding or student criminality. Private schools had had an easy run, but it was not the first time employers (or the state) had improved wages and conditions to encourage one section of employees to leave union agreements and move across to contracts. In some circumstances, those employees could discover later that their wage rises had faltered in comparison to unionised workers’ rates or that in any corporate financial trouble they were the first to be shed. If this was the grand strategy of governments, then their commitment to such a long-range project was not to be taken lightly, nor should the resources that they would commit to achieve it be underestimated.

Edsall (1998c) had claimed in her Education article that public education’s ‘success has been a cornerstone of Australian democracy’ (p.16). Yet, one could ask, how had the retreat from democracy through the state aid strategy been possible when public schools apparently had produced ‘successfully’ a democratically-minded citizenry who should...
have resisted it? A failure to face the institutional limitations of public schooling, not least its authoritarian management and centralised imposition of curricula and determination of resourcing, tended to both epitomise and weaken the anti-state-aid case. Indeed, Edsall (1998c) went on to tangentially admit that all was not right in terms of democracy in public schooling by stating, ‘A safe, fair, tolerant, cohesive and inclusive democratic Australia requires a quality, well-funded, public education system’ (p.16). The demand for funding here had become a replacement for questions of what the ‘qualities’ of that revitalised public education system would be. The debate on state aid as a debate about funding could obscure the political question of who should control schools. Indeed, the government could justify state aid precisely by labelling the devolution to multiple private providers and the concomitant consumer choice of school as a ‘democratisation’ of schooling. Of course, the hollowness of such arguments, as in Kemp’s speech to the NCISA on 23 May, was quite apparent when weighed against the reality of private school exclusion and governments’ underlying motivations for the state aid strategy.

Edsall (1998c) moved on to propose some broad articles of faith of the public system: free of sectarianism, free of exclusivity, and free of fees. Edsall then listed some issues by which public schools could be distinguished from private schools. These included inclusivity, adhering to policy and curriculum requirements, conforming with anti-discrimination legislation, and requiring state-certified teacher qualifications (p.16). These were the issues about public school quality most asserted by anti-state-aiders. They were an appropriate description of the best aspects of the public system, but papered over the tensions, inconsistencies and contradictions within that system, such as selective school exclusivity, the unfairness to working class students of the competitive academic curriculum* and its meritocracy, the despotic discipline in schools that sometimes confronted both students and staff, and the quality of increasingly instrumentalist and underfunded teacher education courses. But even these inconsistencies did not reveal the prime contradiction in the anti-state-aiders’ mischaracterisation of the state’s role in all this: how could a government at one time and place show apparent commitment to the glowing positive principles and qualities of public education, yet at another time and place

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* Hattam, Shacklock and Smyth (1998) draw out the implications of the competitive academic curriculum: ‘it prevents students talking from experience by encouraging [narrow and simplistic] teaching and learning practices…. Michelle Fine’s (1991) book Framing dropouts: Notes on the politics of an urban high school…graphically illustrates how traditional practices in schools and classrooms effectively anaesthetises significant numbers of students in our schools by alienating them from their histories, memories, traditions and trajectories’ (pp. 102&103).
move to contract-out that system and abandon the oversight of social justice policies that operated in those schools? Edsall (1998c) listed those principles and policies: anti-homophobia, anti-sexism, anti-racism (p.16). How could the state, assumed by commentators like Edsall as fundamentally working for the common good, support schools that, according to Edsall (1998c, p.16), 'have no obligation to the common good'? This was the conundrum of the anti-state-aid lobby’s propositions and acted as a limitation on their activity – how to ask the state to support existing state services and the intermediary representative organisations that went with them, when the state had little interest in supporting public schools in their current form and certainly wanted no critical input from parent or teacher representatives in the restructuring process.

Edsall (1998c) listed seven dot-point accomplishments of public education (p.16). They were good programmatic statements, but most of them could equally be claimed by private schools. Then Edsall (1998c) presented a brief history that inadvertently showed that, in part, anti-state-aid proponents had built their characterisation of the positive function of the state in terms of educational provision from a mythical history, viz., ‘Last century Australian governments established public education systems to avoid the divisiveness of sectarianism and class distinctions and to avoid wasteful duplication of public funds’ (p.16). The so-called ‘anti-sectarianism’ was really an attempt to crush Irish Catholic republicanism in Australia, which operated as a form of working class resistance to an exclusionary, undemocratic and brutally exploitative Anglo-Australian state and economy. Despite Parkes’ morbid pronouncements about sectarianism and using public schools to create a ‘classless’ society (although he never went that far, simply arguing that people of different classes should meet each other in public schools), the public schools had been created to crush organised dissent, ethnic difference and democratic demands. While the withdrawal of state aid in 1882 in NSW created hardship for Catholic schools, the elite Anglo-Australian private schools continued to educate the colonial ruling class as previously (see Barcan 1988, pp.139-148). And as for ‘the wasteful duplication of funds’, the expanded public system cost far more than the previous dual system had. The fundamental historical process was that the state was willing to spend considerable amounts of money to head off the threat to the political and economic order of an organised, ethnically-distinct, trade-union-oriented working class community. The current state aid strategy was a finer tuning of this process where the state would return to a dual education system to head off the threat of an organised, moderately ethnically-diverse,
trade-union- and labour-movement-oriented working class group, most worryingly situated within the state; namely, public school teachers.

The state aid struggle in 1998 saw an amplification of both the rhetorical attacks on public schools, teachers and teacher unions and blatant increases in state aid simultaneously with the bedding-down of the EBA’s reduction of Federal public school grants. The rhetoric of politicians attempted to conceal the extent of this considerable shift in funding and, of course, the industrial relations strategy that it served to promote. Manipulation of the curriculum by recourse to centralised testing and surveillance of teachers sought to impoverish educational provision in public schools, while private schools avoided the full ramifications of test-based ‘accountability’. The Catholic systemic schools’ achievement of a virtual voucher system of equivalence of funding with ‘typical’ public schools meant that the provision of the material means of schooling there could overtake that of public schools through the Catholics’ ability to charge steadily increasing tuition fees. The reinforcement of private schools’ right to selectivity and exclusion, exemplified in the Scarlett Finney case, the partial contracting-out of AMES and the threat to the public status of UNSW’s St George campus all exemplified the commitment by governments to retreating from negotiation or compromise with intermediary representative organisations or to moderating the disparity in the effective exercise of rights by employees or consumers as against the rights of private organisations, employers or government departments.

This level of analysis rarely surfaced in the Teachers Federation and the role of state aid, while coming in for fairly virulent criticism from anti-state-aid organisations, was never linked to the industrial relations strategy of governments as employers of teachers. The retreat by governments from compromise with the Federation around any but peripheral issues in the tactical battle over the control of the agenda for public education and further attempts to marginalise teachers’ voices proceeded into 1999. State aid continued to be the centrepiece of the implacable long-term industrial relations strategy of governments.
Chapter 4

The state aid struggle and the New South Wales Teachers Federation 1999

This chapter continues to examine the ideological position of Prime Minister Howard and Minister Kemp in the state aid struggle. Their rhetorical attack on the Australian Education Union (AEU) and, by implication, the Teachers Federation was quite explicit and included coded support for private schools and the disparaging of public schools presented through the motifs of ‘standards’, literacy and accountability. The NSW government's testing regime, a centrepiece of ‘accountability’, continued to expand, while the Federal government suggested that private schools come under the umbrella of centralised testing. The equanimity with which this proposal was received by some private schools showed that conformity with centralised testing was not necessarily a particularly onerous form of ‘accountability’ for them. However, by the end of 1999 no private school had been compelled to undertake any of the ‘new’ centralised tests imposed on public schools since 1989.

Parliamentary opposition to state aid or to some of its effects grew during 1999. The NSW Labor government recognised that public schools in NSW could become residualised education providers. The cost-shifting of the EBA continued to concern the NSW government, so much so that funding increases to the most elite private schools were reduced in the June State budget and, for the first time, their state aid grew at a rate less than enrolment increase. This was significant since the Teachers Federation had targeted those schools for funding reductions. Similarly, the Greens Party presented a Bill in the NSW Legislative Council that proposed ending State government aid to the wealthiest private schools and redirecting it to public schools. The Independent Education Union (IEU) campaigned against proposals to reduce state aid.

But the May Federal budget inaugurated the new Socio-Economic Status (SES) Index system for calculating state aid. It was soon revealed by the AEU that the SES system would boost state aid most significantly for both the wealthiest private schools and for the ‘neediest’ small Christian (and other) schools. The IEU welcomed the SES system for Catholic schools. If a voucher system had not existed before the SES system was
introduced, it became apparent on the evidence that for some categories of schools an effective voucher system had come into existence in 1999.

A tentative alliance formed between the NSW Labor government, minor parties, many Federal politicians, the Teachers Federation, activist organisations and the Federation of P&Cs around the St George campus affair. Even the NSW Coalition and some Federal Coalition MPs made very little effort to oppose its resumption by the NSW government. It appeared that the privatisation of public assets would only be countenanced by governments up to a certain point. Blatant gifts of property worth millions of dollars to particular schools appeared not to be acceptable to governments if they were to have electorally divisive consequences. The alliance specifically on state aid consolidated between the Teachers Federation, the NSW P&Cs and the Greens Party, revealing a remarkable convergence of policy amongst them.* By June, the P&Cs were actively campaigning against state aid, but in the conditions of the salaries dispute their President, Bev Baker, was continuously and vigorously pilloried by media commentators and by the NSW Director General of Education and Training.

An important adjunct to the Federation’s anti-state-aid campaigning was the development by Research Officer Sally Edsall of a complete database of individual private school’s state aid, including both recurrent per capita grants and capital works’ funding. For government departments, the state aid strategy was still the commanding issue. Thus in May, the NSW Audit Office recommended making hiring and firing of staff easier at a local level and that individual contracts were the future for industrial relations in public schools. The Federation did not actively respond to this in the lead-up to the State election in May. The Federation’s election campaigning was constrained by its fear of a conservative victory. This meant that the implacable industrial relations struggle that accompanied the state aid strategy was never publicly engaged in by the Federation’s leadership in its election campaigning, even in an atmosphere of intensifying acrimony between the government, the Department and the Federation over the salaries dispute that began in 1999.

The NSW Director General of Education and Training, Ken Boston, also intimated in September that easier hiring and firing of staff were a part of the government’s ‘wish list’.

* Neale Towart (2002) comments that ‘in Australia…the organising ability of unions is crucial to the activities of other protest groups’ (p.100).
He linked this to the need to compete with private schools for enrolments. The school education ‘market’ had become a motif with which to displace concerns over the anti-democratic process used to prosecute the state aid strategy. The role state aid played in the drift to private schools, not to mention the role of politicians and media commentators in disparaging public schools, was never linked by the Federation to its industrial relationship with the Department. There was an acceptance within the Department (and the government) that while public schools were under pressure to conform to the industrial relations situation in private schools, nevertheless state aid was debarred from discussions about industrial relations. The resolute and repeated attempts by governments to signal that significantly altered industrial relations were their prime goal and that public schools had to change because of ‘competition’ with private schools showed that state aid helped create the conditions in which the attack on public school teachers’ conditions of employment and the Teachers Federation’s coverage of members would proceed. This was in accord with Federal Minister Kemp’s clearly expressed aim of reducing teacher union power. Some concerns over the implications for citizen rights with regard to certain issues in private schools, such as the implementation of random student drug testing, were expressed by the Federation of P&Cs and others, but concern over employee rights in the atmosphere of persistent calls for public school teachers to become more-or-less contract workers was rarely expressed so publicly by anyone.

Increases in state aid driven by the Commonwealth proceeded apace in 1999, despite the slight reduction of the NSW government’s share in June. NSW Department of Education and Training figures showed that while funding across 1999 for public schools rose at a rate slightly above inflation at 2.6 per cent, the increase in private school state aid (per capita recurrent grants, secondary textbook allowances and the interest subsidy scheme for capital projects) rose 5 per cent. Some specific equity programs overwhelmingly assisting public schools showed negligible increases: Aboriginal education spending rose by one-and-a-half per cent and Disadvantaged Schools Program funding rose a half per cent. The Department’s official annual report did not show the full extent of government state aid to private schools. Funding for programs like the Student Transport Scheme, disproportionately used by private school students, was not recorded, while equity programs, special education funding and some proportion of ‘Core Education Services’ were not disaggregated into the proportions spent in public or private schools. Figures also showed that in 1999 the NSW government was spending about $4,280 per capita on public
primary school students’ recurrent expenditure and about $6,410 on secondary students (NSW DET 1999, pp.13-14). However, as these figures were derived from the ‘Core Education Services’ data, it was unclear whether they included some aggregated private school funding where their students accessed services such as the Saturday languages schools, Distance Education or examination supervision.

Education as a proportion of the State budget fell from 25.7 per cent in 1997/98 to 24.4 per cent in 1998/99 and to 23 per cent in 1999/2000* (Edsall 1999b). The Department’s annual report also made clear that the abolition of the New Schools Policy and the implementation of the Enrolment Benchmark Adjustment (EBA) had cost government schools $14 million since 1997 and would extract a further $17 million across 1999/2000. It was estimated that the EBA could eventually cost NSW schools’ recurrent funding $40 million per year (NSW DET 1999, p.16) in a situation where enrolments in NSW public schools had risen by almost 1,200 between 1997 and 1999, while five schools had been closed (ABS 2000, p.9 table). Private school enrolments had increased by almost 15,000 over the same period. This especially impacted on public secondary schools where enrolments had declined by almost 800 students between 1997 and 1999. By 1999, private schools accounted for 42 per cent of all students in NSW, including 51 per cent of all secondary students (NSW DET 1999, p.9 tables). After its partial contracting-out in 1998, AMES had lost 17,000 students and ten teaching centres. However, there had been some drift back to AMES with enrolments rising by 7,000 in 1999 (NSW DET 1999, p.12 table).

Similar trends in the public/private divide were occurring across Australia. The number of private schools had increased by 31, compared with a reduction of 28 public schools since 1998. Enrolments had increased in private schools by 2.1 per cent and by 0.4 per cent in public schools. Thirty per cent of students attended private schools (ABS 2000, p.3). In NSW, perhaps using a different source than the Department, the Sydney Morning Herald recorded that private schools accounted for 33 per cent of student enrolments (Noonan & Baird 2000a, p.4 chart). This statistical uncertainty in enrolment and funding figures depending on their source made unequivocal statements on state aid difficult. Nevertheless, the trend was clear.

* In 1963, NSW Labor Premier Heffron declared that 40 per cent of the State Budget represented expenditure on educational services (Education 1963a, p.1).
The full-time teaching staff/student ratio had virtually equalised between the sectors across Australia: private schools had 15 students per teacher, public schools 14.9 (ABS 2000, p.3). In NSW, the 2.6 per cent rise in private school enrolments between 1997 and 1999 saw a 3.8 per cent increase in teaching staff in those schools (ABS 2000, p.9 table). This showed real improvement in private school teaching and learning conditions, especially since the densely-staffed public special schools (81 in NSW) and special units were scarce in the private sector (34 schools – only seven as part of the Catholic system) (ABS 2000, p.10 table). The integration of students with special needs into NSW public schools meant that there were over 12,500 in mainstream NSW public school classrooms by 1999/2000 (Edsall 1999b).

The literacy ‘crisis’ led off 1999 in Prime Minister Howard’s Australian Federation speech on 28 January entitled, ‘The Australian Way’, given in Brisbane to the Queensland Chamber of Commerce and Industry. The speech was used to announced a literacy and numeracy program for unemployed youth, under the terms of ‘mutual obligation’. This obliged young unemployed people to take literacy and numeracy tests and to enrol in such programs to be eligible for unemployment benefits (Howard 1999). It seemed that under mutual obligation citizens were obligated to the state.

Howard (1999) reiterated the common sense notion that ‘reading and writing properly are the most fundamental prerequisites for getting a job,’ and that ‘Refusing to learn how to read and write will deny young unemployed the full dole…. Further work is being undertaken on improving compliance and extending the coverage of mutual obligation’ (Howard 1999). Howard’s ideas and the type of language used in his speech were termed by Barbara Kamler (1999) of Deakin University ‘literacy narratives of crisis and blame’ (p.2). They also showed the absurd extremism to which Howard was prone: that some young people refused to become literate, that serious material hardship (the effect of reducing unemployment benefits) was a reasonable incentive, and that the government’s ongoing project was to improve compliance to regimes of surveillance by institutionalising the unemployed. Such regimes were becoming commonplace in public schools.*

* Neo-liberalism conceives of people as ‘“manipulatable man”, who is created by the state and who is continually encouraged to be “perpetually responsive”…. In an age of universal welfare, the perceived possibilities of slothful indolence create necessities for new forms of vigilance, surveillance, “performance appraisal” and of forms of control generally. In this model the state has taken it upon itself to keep us all up to the mark. The state will see to it that each one makes a “continual enterprise of ourselves”…in what seems to be a process of “governing without governning”’ (Ollses 1996, p.340, quoted in Apple 1999a, p.3).
With youth unemployment running at 19 per cent throughout the 1990s (Lewis & Koshy 1999) and general unemployment at 7.5 per cent in 1999, this was the carrot-and-stick approach without the carrot, unless the offers of bare subsistence on the dole or a non-existent job were considered to be incentives. Allan Luke, a Queensland academic, described Howard’s form of rhetoric as shifting ‘the responsibility for negative aspects of economic restructuring onto teachers, schools, and ultimately students and communities’ (Luke, quoted in Kamler 1999, p.2). As Kamler (1999) pointed out, Howard’s statement was in line with Kemp’s ploy of disparaging teachers because it appeared that teachers were allowing a proportion of students to leave school illiterate.

Tony Wright reported Howard’s speech in the Melbourne Age with an article entitled ‘PM tells jobless to study’. Wright noted that Opposition politicians had some sympathy with Howard’s plan. A few politicians commented that the speech seemed to scapegoat the young unemployed, but none mentioned that it also, by inference, scapegoated teachers for producing illiterates and ultimately creating unemployment (Wright 1999, p.1). The Australian was more blunt with its headline ‘Learn to read or lose dole, youth told’ (Penberthy 1999, p.9). Kamler (1999) referred to the television networks’ reporting of Howard’s speech on the evening of 29 January as ‘reducing literacy to the most simplistic level and bolstering the Prime Minister’s punitive storyline’ (p.2). This had important implications for public perceptions of literacy, youth unemployment and school teachers and heightened the level of punitive rhetoric and action the government promoted as necessary to combat the literacy ‘problem’.

The Teachers Federation was locked in conflict with the NSW government throughout 1999 and 2000 over salary negotiations, taking the most industrial action ever over a twelve-month period. This was at the expense of the Federation’s campaign on state aid and in early 1999 Federation campaigning was strongly directed towards the State election in March. The problem for the Federation was how to deal with a Labor government that had made salary negotiations in 1996 quite acrimonious, yet who had almost always been seen by Federation leaderships and, one suspects, by most members as more amenable to negotiation and compromise than the Coalition. The State election caught the Federation in the bind where the government needed to be embarrassed over its delay in finalising an acceptable salaries agreement, but swingeing criticism of the whole direction of
government policy, especially regarding state aid, had to be toned down to avoid mobilising teachers and the wider public to such an extent that they would reject the Labor government. This compromise, as well as the short election campaign period, tended to focus Federation demands on immediate events at the expense of more strategic or long-term issues, such as the growing provision of state aid and its attendant policies.

A strike on 9 February and a mass meeting of teachers at the Sydney Town Hall began the active campaigning and industrial action over salaries. Both the NSW government and Opposition condemned the strike and Federal Minister Kemp told parliament that it had damaged children, parents and the reputation of NSW government schools. Rodney Molesworth from the Federation of P&Cs was reported as not supporting the strike. The most interesting coverage of the strike day and meeting was in the *Daily Telegraph*, which was to be an antagonist of the Federation during the salaries dispute. In reporting on the overflow meeting at the Sydney Town Hall attended by 4,000 teachers, Peter Lalor opined that the Federation had ‘launched a bizarre class war’ when the meeting voted almost unanimously for a ‘Packer Tax’ and that the salaries campaign slogan be ‘Tax Packer to pay for public education’. This was in reference to Kerry Packer’s company profits of $614 million over the previous two years on which no tax had been paid. Packer was Australia’s wealthiest individual and had been schooled at the elite private Cranbrook school in Sydney’s Eastern Suburbs. The motion was moved by POPE activist and St John’s Park High School teacher Lindy Nolan to ‘rapturous applause’ (according to Lalor) following her humorous speech. Sue Simpson, Federation President, commented to the meeting that she felt the motion gave ‘that very important symbol that the very rich are not fulfilling their social responsibilities’ (Lalor 1999, p.5). More importantly, Nolan’s motion had drawn the link between the policies of the Howard government favouring private (especially elite) schools and the beneficiaries of Howard’s economic policies. This was indeed a class analysis by Nolan and an attempt to focus the salaries campaign on state aid, but hardly the call to class war as Lalor characterised it.

Lalor (1999) continued the class conflict theme in a sarcastic manner in his article. ‘The gathered teachers showed their class bias by hissing at the mention of The King’s School and Trinity Grammar’. There was the ‘odd 1950s bearded socialist’ teacher on the march

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*In 1999 Cranbrook at Rose Bay received $1,714,524.70 in recurrent state aid.*
to parliament house that succeeded the mass meeting. ‘[C]hildren laughed as they saw their teachers marching past’ and ‘one young child jeered,’ ‘Ban school’. Lalor found a ‘score’ of ‘socialist newspaper boys’ and other pamphleteers distributing outside the hall. But Lalor also juxtaposed the sensible and reasonable teachers against the socialist fanatics: ‘A motion calling for further strikes from another socialist union member [John Morris, a POPE activist] was soundly defeated by the majority of ordinary concerned teachers.’ (In fact, it was narrowly defeated, if that.) Lalor summed up the general attitude of the teachers to be, in his opinion, that ‘Some teachers wanted the major parties to release their education policies early. Others just wanted a pay rise’ (p.5). The Telegraph had attempted to create a division between ‘reasonable’ teachers and the ‘socialists’ in the Federation. This was a finer tuning of the conservative argument that governments had lost control of schools to the Federation. Now it seemed that the Federation was in danger of being overwhelmed by socialist radicals.

David Kemp, in his capacity as Minister for Education, Training and Youth Affairs, spoke at a conference in Washington, D.C. on 23/24 February, organised by the OECD and the US Departments of Labor and Education. His speech revisited much of his plans for education and training in Australia, but drew the clearest link yet between skills and workplace attitudes. Previously, Kemp had tended to treat literacy and numeracy as ‘workplace skills’ divorced from the reformulation of school curricula and methods of control that such a shift in curriculum content would entail. Here Kemp acknowledged that the reformulation of skills and specific attitudes in tandem underpinned the Coalition’s school education policy: ‘the reluctance of employers to hire young people is driven as much by their perceptions of the attitudes and values of the coming generation as it [is] by a perception of a lack of basic skills…. Employers frequently complain that young people have learnt little in school which gives them an understanding of what it means to work regular hours in a business enterprise’ (Kemp 1999a, p.2). This seemed to confirm that Kemp’s centring of employer-needs as the arbiter of school education form and content was underpinned by an intention that schooling was to instil workplace discipline. This

*Smyth and Shacklock (1998) contemplate the ideological process being undertaken in such a characterisation of the role of schooling: ‘Poor performance by business, industry and government is traced back to poorly skilled workers and the failing of educational systems in fulfilling their national responsibilities in delivering appropriately motivated and educated people ready to enter the workforce. In delivering commonsense articulations of the links between national economic well-being, lifestyles, productivity, work skills and schooling, the reformist discourses of economic rationalism and managerialism portray schools as being “at fault” in the deterioration of living standards, as costly and ineffective in their social function and service to the national “good”.*
suggested a link between the ‘standards’ push in curriculum change towards a repetitive
and dull pedagogy of rote learning of basic literacy and numeracy and the perceived need
to discipline young people for a more competitive labour market. Boring pedagogy would
necessarily entail more, and harsher, school discipline and those to be most disciplined
would be precisely those students already socially disadvantaged. Kemp even identified
those students: ‘Young people, who have left school early, or with a record of low
achievement, often have other problems which have contributed to their difficulty at
school…. [Including] homelessness, learning disabilities, and family problems’ (Kemp
1999a, p.3). The increased disciplining of such students would hardly be conducive to
public schools being teacher-friendly workplaces.

Yet Kemp contradicted the force of ‘attitudinal’ problems (whether of employers or youth)
in creating youth unemployment by quite clearly revealing that increased school retention
had resulted from the collapse of the youth labour market. He gave figures that showed
that only 17 per cent of the teenage population was in full-time employment in January
1999, compared with 33.7 per cent in 1984. Youth unemployment had reached over 30 per
cent in the early 1990s, to fall to 24.1 per cent in January 1999. He saw this as a ‘decrease
in opportunities for less skilled youth’ (Kemp 1999a, p.3). It was precisely this end of the
labour market largely found in public schools as an increasing proportion that was to be
disciplined by the reductivist curriculum and authoritarian pedagogy promoted by the
government’s test-based surveillance regime. Better disciplined students were ‘escaping’
to private schools.

Kemp (1999a) was fully aware of the social engineering use to which schools could be put:
‘we have come to recognise the intimate connection between the institutions we put in

*We see this as about “manufacturing a crisis” of confidence in schooling through the representation of its shortcomings in
ways that simultaneously make connections between schoolwork and economic prosperity and affect a disguise for the
larger forces at work on the social fabric of which schools are a part’ (p.195).

* The 1998 Teachers Federation Annual Conference listed in its decisions the totality of this deterioration in the
staff/student relationship in public schools: ‘the increasing violence and threats of violence against teachers; harassment
of teachers outside school by current and former students, especially in country towns; damage to teacher property; the
lack of an adequate mechanism to deal with students who make malicious and unfounded complaints against teachers;
the glacial speed with which DET deals with these matters compared to the CMU procedures against teachers’
(Education 1998c, p.18).

The 1995 Teachers Federation Annual Conference had noted that schools were not only becoming places for difficult
relationships between staff and students. Parents were also a problem. ‘The growing and continuing public rhetoric about
parental “choice”, the “marketplace”, and the power of parents might have the intention of bringing parents closer to the
education process, but in many schools it has led to an increase in violence, abuse and harassment. It is a continual
disgrace that in this community there are many principals, particularly women, who live in daily fear of violence and
harassment from “community” members, often, but not always, male’ (NSWTF 1995, p.71).
place, and the attitudes and culture which they generate. As we acknowledge the qualities that will be necessary to adapt to change in a global environment we are inevitably pushed towards institutional reform. …we have a choice whether to encourage the values and attitudes which will fit the coming generation to take charge of their own future…” (p.2). There was a neat inversion of ‘choice’ here so that governments would do the choosing of skills and attitudes for employers – the prime stakeholders in education (and society) as Kemp saw it. 

Minister Kemp moved on to issues of choice in schooling. He made the claim that ‘Australia’s education…systems are emerging from a period in which they were responsive primarily to funding bodies. The Australian government is working in a number of areas to ensure that education…systems are responsive to the needs of their students and other stakeholders such as parents and employers’ (Kemp 1999a, p.5). It could be argued, contra Kemp, that schools, especially private schools, had become more beholden to ‘funding bodies’ in the form of the government due to the reliance by all but the elite private schools (those able to charge fees of $7,000 per year or more) on government funding to maintain resource levels equivalent to public schools. That craven dependency was shown in the incident of August 1998 when five Catholic bishops visited Catholic Coalition backbenchers in Canberra. This was followed by an improvement in Catholic systemic schools’ funding through their recategorisation to Category 11. This seemed to implicate the church in a trade-off of state aid for political quiescence (McGregor 1998, p.3). The incident showed the extent to which governments would go to make private organisations beholden to state aid. Further to the increased provision of state aid, the centralisation of curriculum control, the implementation of national literacy and numeracy tests and benchmarks in 1998 (in his speech Kemp even stated, ‘We are seeking…other [meaning more] national goals of schooling’; 1999a, p.6), and the publishing of matriculation league tables made a nonsense of Kemp’s (1999a) declaration that the ‘previously centralised authority of large statewide bureaucrat school systems is increasingly being devolved.’ This statement sat incongruously with his earlier comment that devolution would occur, ‘but within a framework of heightened accountability for

* ‘Under the banner of encouraging parental choice in schooling, Kemp’s social engineering instincts are hard at work, reflecting perhaps his own golden school days at the exclusive Scotch Grammar in Melbourne’ (Noonan 2000b, p.32). Further to this: ‘Schools are exhorted dutifully to deliver literate, numerate, compliant (but not socially critical) skilled workers able to engage in economic restoration. Noticeable in this view of education are perspectives on schooling that largely prevailed in the past – namely, a view of schooling that is about drilling and training’ (Smyth & Shacklock 1998, p.44).
educational standards’ (p.5). Of course, private schools were still able to avoid this particular form of centralised ‘accountability’, but centralised control by governments was extending unevenly across all school sectors.

The flip-side to the centralisation process was an attempt by governments to devolve the day-to-day running of schools, especially in terms of teacher salaries and employment conditions. This coincided with a slow tightening of centralised surveillance of various aspects of schools’ and teachers’ performance.* It appeared that the assignment for governments was to control tightly schools’ educational provision while giving them the lee-way to abrogate the centralised industrial relations system. Private schools were to be the Trojan Horse of ‘reform’ in the public system: ‘The fact that 30 per cent of students are now in non-government schools is providing a healthy pressure for reform of the government sector of schooling’ (Kemp 1999a, p.5). With stagnating central funding and increased school-level and centralised micro-control and surveillance of public schools, all putting pressure on teachers’ salaries and conditions, it seemed that Kemp’s idea of school ‘reform’ was limited, ultimately, to ‘reforming’ salaries and conditions in public schools. When all else was stripped away from the ‘reform’ rhetoric, and this was exemplified by the fact that significant reform had occurred already in public school curricula, surveillance and management, then all that remained were the salaries and conditions of teachers to be ‘devolved’ or rendered ‘flexible’. This was to be preceded by the disciplining of the teaching labour force through employer surveillance of teachers burdened by a disadvantaged clientele subjected to a narrow and boring curriculum. Teacher ‘failure’ would be more apparent under such conditions allowing employers to churn staff. This was the process of making employer ‘choice’ of staff easier and silencing critical teachers through job insecurity. That is, underlying the whole ‘standards’ and ‘reform’ push was an attempted increase in the ability of principals or school councils to arbitrarily hire and fire staff and determine salaries at a local level. The locally-based ‘flexible’ promotions system in public schools was the precursor to such a situation.†

* ‘Part of the New Right agenda…is about refashioning teachers. Teachers have the potential to disrupt their plans. Hence the politician and media hysteria directed at the NSW Teachers Federation. In today’s discourse, teachers are not seen as cultural workers able to engage freely in critique about their work and treated as professionals. Instead, they are rigidly locked into the technicism of school effectiveness reviews based on quality control mechanisms. These in turn are subjected to a myriad of external and internal forms of bureaucratic control’ (Walsham 2000/2001, p.22).
† The Department’s Education Gazette, No.15, 13 October 1999, listed 99 promotions for 1999, 40 of which were teachers promoted within their own schools (Crawford 1999, p.4).
This was the practical strategic reality of state aid – it was to be used in the attempt to create an individually-contracted teaching service. Indeed, Kemp (1999a) set as part of his policy agenda the ‘greater use of market mechanisms in the allocation of resources’ (p.5). Since the largest demand on resources came from teacher salaries, then Kemp’s statement could be interpreted to mean that the allocation of salaries would be rendered ‘market flexible’ both through constraints by government on the quantity of recurrent funding to public schools to drive down salaries generally (because the public schools in relation to private schools were market ‘failures’) and through some teachers in certain ‘failing’ public schools trading off salary increases with their local ‘employer’ for tenure or to avoid being labelled ‘ineffective’ teachers (because certain individual teachers or schools were market ‘failures’ and deserved no better). However, the contradiction here with the flow of the ‘free’ market was that in both cases in the ultimately centralised public school system it would be the government driving the overall control and direction of curriculum, salaries, tenure and conditions: it was to be an employers’ market in education, not a consumers’.

Public school employers would be able to bargain collectively (through their centralised budget allocation and curriculum control), but teachers would bargain individually, as would the individualised consumers of school education. There would be individualised workers and consumers facing a centralised and determinate government. It would appear that Kemp had never really meant education ‘markets’ to apply fully to the market for education services – he really meant the ‘market’ to be fundamentally a free labour market in education workers. *

Kemp could not have found a more willing participant than the NSW government in his connecting of the prospects for youth employment with an impoverished curriculum of literacy and numeracy ‘basics’. In March the Labor government released its Labor’s Literacy and Numeracy Plan: Focusing on the basics. The document’s introduction began

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* ‘The way this came about in England was through the “occupational re-structuring” of the teaching force – through (a) direct regulation of pay and promotion for teachers, and (b) the deregulation and devolution of financial control to schools allowing them greater flexibility in employing teachers. The first of these worked through the abolition of teachers’ negotiating rights, the fixing of pay scales, and giving principals the power to “reward for good performance as measured against indicators”. The second occurred through governing councils being able to appoint teachers according to budget, the rise of ancillary and auxiliary teachers, and the “virtual disappearance of financial support for inservice training [which] means that teachers fund their own professional development”. All of this operates in England to produce an increasingly differentiated and segmented teaching force, where previously it had exhibited “all the characteristics of unalienated, integrated labour”’ (Nicholls 1995, cited in Smyth & Shacklock 1998, pp.102-103)....

“The effect on teachers…has been… – “a differentiated, flexible workforce in teaching”…. The emphasis has been upon “pay flexibility” – freeing-up teachers from centralised salary and promotions structures, giving school governors the power to set pay scales, and through “workforce pliability” involving skilled, semi-skilled and unskilled teachers with differing tasks, modes of training and entry, and varying supervisory responsibilities’ (Lawn 1995, cited in Smyth & Shacklock 1998, p.103).
by affirming that for the NSW Labor government ‘teaching and learning the basics of literacy and numeracy [were] its highest priority’. Apparently the ‘basics’ were ‘essential’ for students to ‘succeed in their future education, life and careers.’ The government’s plans were to implement a statewide targeted literacy program, test literacy skills from Year 6 to Year 11 because ‘there was no external assessment to monitor literacy skills’ across those Years, and to initiate curriculum reform to ‘focus on the fundamentals of spelling and traditional grammar.’ These reforms were summarised in total as ‘The government’s teaching, testing, monitoring and intervention strategies’ (Carr Labor Government 1999, p.2). A more centralising and authoritarian statement could hardly have been made in the circumstances of a parliamentary democracy. An unnamed ‘independent’ academic was quoted as praising the government’s ‘most comprehensive and complete set of testing and reporting materials produced so far in Australia.’ This was the only area of the curriculum the document showered with such praise. School reporting was to be comprehensive: individual reports to parents, Annual School Reports, the Department’s Annual Report and the Minister’s Report to Parliament (Carr Labor Government 1999, p.2).

The document went into ten pages of details of the government’s actions and its future plans. The grasp of educational theory and current practice was so slight that the document seemed to be more a populist appeal to voters and a clampdown on teacher autonomy than driven by any commitment to educational improvement or equity.* The document in a succession of faux pas referred to ‘the importance of literacy in every subject’, ‘tried and true methods of helping students’ (Carr Labor Government 1999, p.3), and ‘daily spelling practice, use of dictionaries and use of spelling lists’, including the provision of materials for primary school teachers on ‘how to teach spelling’ with ‘spelling lists’ (p.4). The workload for teachers was to be crushing under Labor’s plan. The numeracy program for Kindergarten to Year 6 would require teachers to use the centrally-designed package, Count Me in Too, perform ‘one-on-one, detailed assessments’ of students and then ‘select teaching and learning strategies that will best meet the needs of each individual student’ (Carr Labor Government 1999, p.5). Secondary school teachers would do the same in the future. Teachers would be trained in teaching literacy and numeracy, indeed, the document

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* ‘…what are offered as technical solutions to our educational (and by inference, economic) ills are not so much coherent responses to carefully thought-through analyses of complex social and economic problems, so much as they are muscular political posturings of a “can do” type. Their aim is not to resolve complexity, but rather to reassure a doubting public that they are indeed being well served by a political apparatus that is well in control of unstable circumstances…. The tragedy is that matters of educational substance get leached out in this stampede for political reassurance’ (Smyth & Shacklock 1998, p.21).
boasted that 900 teachers would be so trained by the end of 1999 (p.7). There were over 50,000 public school teachers in NSW. At that rate it would take 55 years to train all teachers. This tended to highlight the niggardly commitment of funding to really effective programs in schools – the document seemed to have other intentions in mind.

High school maths and English syllabuses would be comprehensively revised to conform to the new ‘basics’ approach on the one hand and, incongruously, with the more academically rigorous HSC on the other (Carr Labor Government 1999, pp.4-5). The document noted the government’s record of achievement in student and teacher surveillance: ‘Students’ basic skills are now assessed in Year One as part of the Reading Recovery program; in Years 3 and 5 through the Basic Skills Tests; in Years 7 and 8 through the English Language and Literacy Assessment (ELLA) and in the new School Certificate at the end of Year 10† (p.6). Of course, these were in addition to, and formed the lead up to, the HSC. Targeted rural, regional and urban disadvantaged students would be incarcerated in ‘Summer Schools’ to be given ‘intensive literacy assistance’, while ‘high-performing students’ could access advanced education programs for ‘additional work at a high standard’, but no mention was made of this being in the summer holidays (p.7). The Disadvantaged Schools Program had been ‘refocused onto literacy’ (p.8). A coercive or punitive tone ran throughout the document suggesting that serious problems had been uncovered (the ‘crisis’) and more work from teachers was needed (the ‘blame’). This workload was to be centrally directed by a plethora of centrally-produced policy documents and (educationally-dubious) teaching materials, centralised training and centralised testing. The utterly execrable and unstated point of this assault on the ‘problem’ of literacy was that it would only take place in public schools. Private schools were under no legislative requirement to participate in any of the recently-imposed or new testing, reporting, teacher training, curriculum or pedagogical regimes outlined in the document. The document, by omission, firmly grounded the basic skills ‘problem’ in public schools and suggested that barely disguised coercion of teachers was to be used to ‘fix’ it.

* Smyth and Shacklock (1998) comment, ‘The expansion of central policy development into pedagogy and curriculum means tighter control over what is considered to be good practice in teaching and a subsequent narrowing of what encompasses exemplary teaching typical of the highly competent classroom worker. We believe that this represents a tendency to see the work of teaching as generically descriptive and ultimately articulated through a “one size fits all” template which devalues difference and idiosyncrasy’ (p.194).
† In October 1999, the Daily Telegraph, through a Freedom of Information application, published Basic Skills Test results by school districts. Ruth Yourn of the Barrier Teachers Association of the Teachers Federation complained that Departmental officer, Terry Burke, was contacting school superintendents in districts with below-average results ‘with a view to countering negative publicity’ (Yourn 1999, p.5).
Education continued to inform Federation members of the increase in state aid and the operation of the EBA. On 1 March, a table was published showing that while NSW public school enrolments had increased by 3,321 between 1996 and 1998, it was estimated that a further $10 million would be cut by the effect of the EBA from NSW schools in 1999, the second year of the EBA’s operation. The article accompanying the table revisited the funding increase to Catholic systemic schools flowing from their recategorisation to Category 11. This was an election promise made before the 1998 Federal election, where ‘both the Coalition and Labor parties agreed to the reclassification’ (Edsall 1999c, p.7). The article examined the explanation of the totality of funding increase to Catholic schools from the Independent Education Union’s (IEU) News Extra article from October 1998. In particular, the IEU’s claim that future salary increases in Catholic schools would be met by supplementation through linkage to increases in public school funding meant ‘that there is no salaries campaign necessary on the part of the IEU. Certainly, any school that argues increased fees are necessary to meet increased salaries is contradicting the public statements of the IEU’ (Edsall 1999c, p.7). The article noted new developments in state aid: some independent Anglican schools funded around the Category 3 level had joined the Anglican system which would guarantee them at least Category 7 funding, and the Christian Community schools had formed a system and would probably be funded at Category 11. The article flagged changes to Federal state aid, suggesting that the 1999 Budget could signal a socio-economic ‘needs-based’ funding arrangement. The Federal Minister and Prime Minister’s objectives in all this were summarised as ‘increasing numbers of low fee private schools, and numbers of students attending those schools’ (Edsall 1999c, p.7). This was a tactical objective of the Federal government. That the strategic aim was to disrupt the Federation’s coverage of school teachers was not presented in the article.

A contribution from Minister Kemp to the struggle over Trinity Grammar’s purchase of the University of NSW’s St George campus was a press release dated 11 March entitled ‘Kemp supports St. George campus.’ It had Kemp (1999b) arguing that NSW Education Minister Aquilina ‘should immediately authorise the transfer of the St George campus of UNSW to Trinity Grammar School’. Kemp accused Aquilina of ‘procrastination’ in preventing the establishment of Trinity Grammar’s ‘valuable new educational facility for southern Sydney’. He inferred that it would provide ‘significantly greater educational
benefits’ for its expected 940 wealthy school students than it apparently had provided for its 450 university students as the St George teacher training facility. Kemp’s patronage of elite private schools could hardly have been more blatant here, not to mention the fact that the closure and sale of the UNSW’s St George campus had arisen from Federal government reductions in university funding (Carr & Currie 1999, p.5). In fact, the closure of the St George campus probably indicated that UNSW wanted to withdraw from less lucrative and less prestigious teacher training. In effect, Kemp was showing the trend he most wanted in educational provision – university education becoming more selective and more elitist, and school education following suit with the elite schools able to dominate the market. That teacher training should receive negligible priority for Federal funding could also have been part of a strategy to create a teacher shortage. This could force the expansion of a diluted labour market in teaching where the public system would have to rely on untrained teachers to fill shortages. This had already been contemplated by the NSW Labor government with its ‘Teaching Standards Bill 1998’.

On the other hand, there was a recognition by the State government that public schools were being residualised by private schools selecting the wealthier, the more able or the better behaved students and leaving the rest to the public system. On 11 March, Aquilina replied to a journalist’s question about the drift of students to private schools by stating, ‘we could have a situation where the great bulk of students in the public school system could be those who are disadvantaged’ (Raethel 1999a, p.8). Why this should cause the Minister concern, or what he would do to rectify the situation, was not made clear in his reply. Whether he would or could do anything to change the thrust of the state aid strategy that was subscribed to by his government was dubious. However, at the electoral level, Aquilina may have felt that the residualisation of public schools could make some schools completely unmanageable for staff. If this received publicity then it could reflect badly on the Minister or cause electoral damage to a Labor party supposedly acting for the working class – the chief utilisers of public schools.†

‡ Indeed, Ken Boston, Director General of the NSW Department of Education and Training, in October 2000 feared that ‘[Public schools] would decline into a safety-net provision; a lesser network of residual schooling for children of the disadvantaged and un aspiring’ (Boston 2000, p.14).

† In November 1996, the Ridings school, a 600-student local comprehensive high school in Halifax (UK), was closed for a week by education authorities ‘after a near-riot and assaults on teachers’. The local education authority also complained to the Press Complaints Commission that ‘recent intense media coverage of disciplinary problems at schools had encouraged bad behaviour and may have put children at risk…. Journalists had paid children up to 150 pounds to perform for the cameras…’. A primary school in Nottinghamshire (UK) also closed for a period when parents and students refused to re-enrol a ‘disruptive 10-year-old boy’. The Principal declared that ‘he could not guarantee the safety of the 194 pupils’ (Wainwright & MacLeod 1996, p.9).
With the State election looming on March 27, the NSW Greens Party decided that opposing state aid and promoting public education were vote-winners. This may have been driven by an ideological stance within the leadership of the Greens with regard to public versus private ownership or an electoral calculation that with public school teachers being shunned by both Labor and Coalition parties over their salaries claim then they could form a conveniently disgruntled voter base looking for an electoral alternative. Whatever the reasons, the Greens launched a radical anti-state-aid election policy that called for the salary increase that public school teachers were seeking to be funded by withdrawing State government subsidies from private schools.

On the heels of this announcement, the IEU moved into damage control by urging its members at 800 NSW private schools to call school-based meetings before the election. These meetings were to be used to convince teachers to vote against the Greens by placing them equally last in their preferences. The letter calling the meeting and the accompanying press release, both signed by IEU General Secretary Dick Shearman (1999), expressed anger and offence at the Greens’ anti-state-aid suggestion. The IEU State Council had voted unanimously at their weekend meeting to condemn the Greens’ position, especially the Greens’ intention to move a private members bill in State parliament to redirect a portion of NSW government state aid to public teacher salaries. The IEU General Secretary returned to the multiculturalist argument in his press release to condemn the Greens. Shearman (1999) wrote that ‘members…were offended by the assertion that only NSW public schools reflect ethnic and cultural diversity in their schools population.’ The press release continued, ‘the Greens policy would adversely affect Catholic, Jewish, Christian, Islamic and Aboriginal Community schools.’ Furthermore, according to Shearman, ‘State secular schools cannot and do not meet the needs and aspirations of 30% of the NSW school population.’ Shearman’s rhetoric had moved from condemning the Greens to condemning public schooling. At the same time, Shearman mellowed the message by asserting that the IEU remained ‘firmly committed to supporting any initiatives to better resource public education’, but with the proviso that calls for improved funding of public schools ‘should not be championed in a way that revisits the worst excesses of the Defense of Government Schools (D.O.G.S) period from our sectarian past.’ The spectre of the DOGS High Court challenge to state aid in the early 1980s still seemed to loom large in the IEU’s demonology. Perversely, DOGS’ fundamental concern with the
sectarian divide caused by state aid was in fact reaffirmed by Shearman’s enumeration in his press release of those sects that received state aid. However, he posited such division to be a positive aspect of private education exemplifying Australia’s commitment to multiculturalism.

Unlike Shearman’s (1999) exhortation to not revisit ‘our sectarian past’, his enumeration of state-aided sects showed that sectarianism was alive and well. What Shearman’s rhetoric meant was not so much to avoid revisiting the supposedly ‘sectarian’ past in the state aid struggle, but to avoid its anti-sectarian conclusion – the withdrawal of all state aid in NSW in 1882. Shearman’s rhetorical diversion was to collapse such a debate into pretty much irresolvable questions of the status of multiculturalism as either integrated pluralism (the public schools’ advocates’ position) or separatism (the private schools’ lobby’s position). The ‘sectarianism’ that existed, and in fact had always been the case even with Parkes’ 1880 Public Instruction Act, was the ideological and social class dividing lines between public and private schools. Contrary to the ‘sectarian past’ myth, public schools had not been established to counteract some internecine sectarian war between Christian factions (except in the sense of stifling Catholic schools while permitting the elite Anglican and some other Protestant schools to continue largely unaffected by the withdrawal of state aid), but to use public education to crush one particular Christian denomination – Catholicism (and in the process making it almost impossible for private church schools serving any but the elite to provide well-resourced education). But the contemporary debates over state aid tended to eschew a real class analysis in favour of contretemps over the meanings of multiculturalism, the problems of elitism, the underfunding of public schools or problems of social cohesion. As such, they could lend themselves to populisms of the right or left, to notions of anti-intellectualism, marketisation and/or authoritarianism, or at the very least serve as a diversion from questioning the very basis of an undemocratic education system that made virtues of selection and exclusion driven by centrally-imposed political demands.

Federation Council on 20 March analysed the options for the State election. The final motion from Council on the election campaign noted that the ‘Greens have the most positive policy on public education...’. Indeed, the motion continued, ‘The Greens have a comprehensive policy that addresses the issues identified by the Federation as part of the State Election Campaign, particularly on the funding of private schools’ (NSWTF 1999a,
In fact, the Greens had adopted the Federation’s position, arising from POPE’s proposition, that funding to elite Category 1-3 schools should cease. The motion recognised that ‘The Greens also have a sound and comprehensive industrial relations policy.’ Added to the election campaign motion was the decision by Council to oppose the sale of the St George teacher training campus to Trinity Grammar. The Federation was to take the matter up with the Minister and Kogarah Council and seek to maintain the ‘site as a public education training institution both now and in the future’ (NSWTF 1999a, p.1) This was hardly a radical demand, as this was precisely the first option being looked at by Minister Aquilina.

POPE continued its confrontational anti-state-aid activism with a demonstration outside the elite private King’s School at North Parramatta on 24 March. The demonstration was an attempt to focus media and Federation attention during the election campaign (following a recent documentary about the school aired on ABC TV) on the importance of state aid. A POPE leaflet advertising the demonstration foreshadowed similar action being taken over the St George campus affair. The leaflet also was critical of the Federation’s leadership, stating that the leadership had ‘pulled back from any serious consideration of industrial action between now and March 27 [the election date], following virulent criticism of the Feb 9th strike day.’ ‘POPE considered the [strike day] action to be the start of a wider campaign…around Public Education, and now it seems we are in the back seat again behind the co-drivers [Opposition leader] Chikarovski and [Premier] Carr’ (POPE 1999a). This was implicit criticism that elements of Federation’s leadership were most concerned with the re-election of a Labor government. A second POPE (1999b) leaflet announcing the demonstration noted that the King’s School received over $1.3 million in state aid for a clientele that paid over $10,000 in annual tuition fees. This was contrasted with public schools where ‘teachers have to strike for paint on buildings and adequate staffing while parents struggle to pay for…textbooks’. These examples were drawn from real incidents.

A media release from POPE announcing the demonstration was responded to with a letter from the King’s School headmaster, Timothy Hawkes. Hawkes gave his support to ‘appropriate efforts that seek to persuade Federal and State governments to increase their spending on education in Australia’, but expressed his ‘great disappointment’ that POPE had singled out the King’s School for its demonstration. Hawkes also expressed his
concern for the demonstrators’ safety as well as that of his students and other patrons (Hawkes 1999). This was ostensibly due to the demonstration’s location at the school’s entrance on the busy Pennant Hills Road, but had enough of the sentiment of potential confrontation that some media interest was aroused in the demonstration after Hawkes’ letter was leaked. About 40 placard-bearing demonstrators turned up outside the King’s school, as well as a Channel 7 television camera crew, a local press journalist and 14 police officers. The protest proceeded peacefully, there was a street theatre performance satirising the culture and wealth of the King’s School and there were interviews with journalists, but no reporting of the demonstration by any major media outlet. Education later carried a small item about the demonstration linking the protest with the issue of the State government’s $370 million student conveyancing subsidy, ‘a non-means tested travel subsidy which allows students to travel to these schools’ (Education, 3-5-1999, p.28). The State election was well-and-truly over with a Labor landslide victory by the time of the article’s appearance.

Sally Edsall continued her research into the NSW government’s provision of state aid, which had been more difficult to expose than Federal state aid. The difficulty was in gaining access to State government figures for per capita payments. However, the Department finally acceded to requests from the Federation for the information on per capita funding levels by private school Category. Edsall was then able to match those figures with the Department’s school-by-school enrolment figures for each private school for 1996 to come up with a total funding figure for each private school. The Federation had already obtained these statistics from the Commonwealth in August 1997 for its proportion of state aid. Previously, the State government’s contribution to state aid had had to be approximated from the Auditor General’s report to parliament or from questions in parliament. From the 1998-99 State budget Edsall (1999d) was also able to give totals for textbook allowances, Back to School allowance and capital works interest subsidies that made up an extra part of the total of state aid. The budget revealed that interest subsidies were worth $32,900,000 to private schools and the textbook allowance totalled $6,765,000. Back to School allowance, providing flat-rate funding of $50 per capita to both public and private students’ families, totalled $16,000,000 for the private sector. Further to this, Edsall indicated that Section 21 of the Education Act guaranteed to private schools funding equivalent to 25 per cent of the total public schools’ recurrent budget. Edsall claimed, erroneously as it later turned out, that whenever public school teachers received a $1 salary
increase, $1.25 would automatically flow on to the private schools’ budget. This bonus could be used for private school salary increases (p.5).

The more important point made by Edsall was that Section 21 of the Act also made it possible for private schools to be funded directly from Treasury. The Federation sought to have teacher salaries paid from the Education budget and to campaign over the funding in this portfolio rather than on a whole-of-government spending strategy. So while the constraints within the Education budget could be used by the government to plead poor to the Industrial Relations Commission to resist salary increases for public school teachers, the private schools had no such constraints – because of the automatic flow on and that such flow on, no matter how large, could come directly out of Treasury rather than from a limited Education budget (Edsall 1999d, p.5).

Edsall (1999d) produced a table by private school Category showing per capita state aid provided by both State and Commonwealth governments in 1998. It showed that Category 1 primary schools received State per capita recurrent funding of $415.79 and Commonwealth funding of $501 to total $916.79 per capita. Category 1 secondary schools received $623.35 and $795 respectively, to total $1,418.35 per capita. Category 11 schools, where Catholic systemic schools were placed from 1998, received $956.32 from the State government and $2,110 from the Commonwealth for primary school students, totalling $3,066.32 per capita. Category 11 secondary students received $1,433.70 and $3,078 to total $4,511.70 per capita. Category 12 schools, the ‘poorest’, including some Christian Community schools, received a per capita total of $3,356.96 per primary student and $4,859.03 per secondary student (p.5). In relation to public school per capita recurrent funding, again as an average disregarding the greater provision of the more expensive special schooling in the public system, public primary students were receiving about $350 per capita more than Category 12 private primary students and secondary students about $500 more than their Category 12 counterparts (based on: Council on the Cost of Government 1998). If these Category 12 schools were charging more than about $1,000 per capita tuition fees per annum, then not only would they cover recurrent costs equivalent to the average public school, they would also easily cover equivalent capital costs after Federal capital grants and State loan subsidies were included. The figure of $1,000 per annum fees would have been amongst the lowest that any Category 12 school charged. Thus, a virtual voucher system for this Category of school had been created.
through state aid and, in fact, any fee charged above $1,000 meant that those schools were receiving greater total resources than the average public school." Where were the ‘poor’ or ‘needy’ private schools of IEU and Federal government mythology?

Edsall’s (1999d) article concluded by pointing out that the NSW government’s recurrent funding of private schools was two-thirds of the Federal quantity. ‘Members of the government in NSW cannot hide behind the EBA or blame the Commonwealth alone for the largesse that flows to private schools’ (p.5). This was considerably more pointed than the Federation’s campaign material during the March State election.

Edsall’s database could now be used to generate a variety of funding breakdowns of state aid. Federation Council received a table of Federal government capital grants to NSW private schools. These were generally provided in a range that covered about 20 per cent to 90 per cent of costs in the years 1996 and 1997, apparently unrelated to school Category. The database showed the considerable amount of building activity going on in the private sector, with Catholic systemic schools alone undertaking over $61 million worth of capital works projects over the two years. Two Category 12 schools, with projects costing $578,000, contributed only $15,000 of their own funds. Over 120 private schools had received capital grants, about 15 per cent of all such schools. Edsall’s calculations did not include the NSW government’s capital works loan subsidies, which paid the interest on any loans these schools may have taken out to receive the Federal grant (Edsall 1999a). The provision of such generous government grants and subsidies meant that they were committed to establishing private schools in the most tenacious way: through the expansion of their ‘bricks-and-mortar’ presence.

David Kemp moved to expand his ‘standards’ undertaking with a closer commitment to accountability. In his Curriculum Corporation’s Sixth National Conference address in Adelaide on 6 May, Kemp (1999c) began by closely linking the ‘educational foundations of our democratic society’ with the ‘challenges of competition in the global economy’. Democracy and equity sat side-by-side with the economy and trade competition, connected by ‘standards’, the purposeful pursuit of which was one of the government’s ‘main

* Sydney Morning Herald reporter, Gerard Noonan, put the average school fee charged in Category 11 Catholic systemic schools at ‘about $1600 [per year] for a secondary student’ in 2002 (Noonan 2002, p.8). Previously, he had put the fee range for all private schools ‘from about $1,000 to as high as $13,500 per student per year’ (Noonan 2000b, p.32).
objectives’ (p.1). But the questions begged were, what or whose standards and how would they be enforced?

Kemp (1999c) argued that ‘students who leave school still struggling with basic literacy and numeracy skills are being disempowered,’ deprived of a ‘democratic right’ and of ‘equity and social justice’ (p.3). It seemed that Kemp was implying through his use of the passive voice that incompetent or bloody-minded teachers had allowed the decline of these skills. Teachers’ inability to maintain ‘standards’ positioned them as the enemies of democracy, social justice and equity. Kemp (1999c) even reasserted that between ‘20-30 per cent’ of students would not meet the literacy benchmarks (p.3) and the solution was a ‘focus on outcomes’ to lift standards (p.1). Thus, the enemies of democracy and equity – teachers – were to be brought into line through the closer surveillance of outcomes by the central authorities.

The focus on and terminology of outcomes-based reporting tended to shift debate away from resource inputs, such as state aid. Measuring ‘outcomes’ required increased centralised surveillance and ‘outcomes’ were themselves a type of centrally-determined work contract. Centrally-determined benchmarked targets (‘standards’) for literacy and numeracy were to be tested, all States and Territories had run literacy tests for Year 3 students in 1998, and Year 5 students would be tested ‘as soon as possible’* (Kemp 1999c, p.3). Kemp (1999c) noted that ‘Primary schools are devoting on average about nine hours a week to literacy and about four hours to numeracy.’ He hoped that the time spent on numeracy would increase as the ‘numeracy benchmarks are implemented’ (p.3). Kemp was quite deliberately driving curriculum change (and its narrowing) through the centralised standards and testing regime, which required a centralised determination of teacher workload. Despite his assurance in May 1998 of support for curriculum diversity and his aversion to ‘one curriculum’ and ‘one pathway of progression’ in schools, Kemp separated the teaching of literacy in schools into a discreet activity ignoring its teaching in literary subjects like English and the social sciences and implying that numeracy was somehow distinct from mathematics† (Kemp 1999c, p.4).

* By 1999, the following Year groups were externally tested in Australia’s States and Territories: ACT – 3,5,7,9,12; NSW – 3,5,7,10,12; Vic – 3,5,7,9,12; Qld – 2,3,5,12; WA – 3,5,12; Tas – 3,5,7,9,12; SA – 3,5,12; NT – 3,5,7,10,12 (Coorey 1998, p.11).
† The impact on the curriculum of testing narrow skills had serious implications for pedagogy and teacher collegiality. Brian Mulford reported that Corbett and Wilson’s 1990 study of the effects of statewide testing in the United States
Ian Waters pointed out in a letter to *Education* in September 1997 the degree to which test-based accountability narrowed the curriculum and impoverished its associated pedagogy. He had taught in the United States in a school district where great emphasis was placed on test-based accountability. As a new teacher in the school, Waters had “‘coaching’ on how to teach to the test…indeed, my curriculum weeks before was solely directed towards the test.’ When the tests were marked and returned, ‘I was given the instruction by my principal to make sure each student was to be “remediated” on each and every wrong answer’ so that in the follow-up test the students would get the correct answer. The results were published in the local newspapers and this pressure, Waters felt, meant that it ‘was not uncommon for some teachers to “alter” answers on a few of the papers…. Others, driven by the inducement of $1,000 (for teachers who had achieved excellence in the test results), rubbed out even more of the wrong answers’. General trends in the results historically had shown that the ‘poorer, disadvantaged schools fared far worse than those on the better part of town’ (Waters 1997). Such were the results of test-based accountability and merit-based rewards.

Kemp (1999f) inaugurated a ‘National Literacy Week’ in September 1999 that included awards for literacy and numeracy achievement, presented, of course, by himself, for the ‘basics’ were to have a high profile. They were also to take up an increasing proportion of teaching time, spurred on by accountability processes that were meaningful (in terms of failure) only for the more disadvantaged students and their teachers.

The only concession Kemp (1999c) and the MCEETYA National Goals made to the humanities was to implement benchmarks for testing a new school civics and citizenship subject entitled ‘Discovering Democracy’. It would commence in May 2000 (p.4) and would be assessed by an arbitrary centrally-determined test that would no doubt require rote learning by students. The irony of an undemocratic process being used to teach democracy in schools had not occurred to Kemp.

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found that such external, centralised testing led to a ‘narrowing of instructional strategies, content and range of course offerings’ and ‘were accompanied by reduced teacher motivation, morale and collegial interaction’ (Mulford 1994).

Bacharach et al. (1990) comment that merit pay is ‘based on some form of evaluation of [teachers’] performance…[that usually results in] discourag[ing] cooperation and sharing of job knowledge among teachers, by forcing them to compete with each other’ (quoted in Smyth & Shacklock 1998, p.123).
For all Kemp’s apparent commitment to outcomes, benchmarking, testing and reporting, he failed to mention that private schools did not have to participate in the centralised testing regime established by State governments, even though they were consulted about appropriate benchmarks over the two years in the process leading to the Adelaide Declaration (Kemp 1999c, p.3). Indeed, the NSW Auditor General’s report in 1998 claimed that ‘private schools were not compelled to have the same accountability [as government schools], despite the State Government contributing more than $400 million a year to private schooling’ (Raethel 1999c, p.8). Once more the facts escaped Kemp (1999c) when he justified his testing and reporting regime by the need for ‘parents to assess information about the performance and effectiveness of schools in the government and non-government sectors’ (p.6). Private schools were under no obligation to participate in centralised tests nor report any information to parents. Indeed, the abolition of the New Schools Policy by the Coalition government in 1996 had removed any oversight at the Federal level of school registration, which eliminated the Federal government’s ability to know whether private schools were carrying out any of the curriculum activities that Kemp had set in place. While he stated that ‘We need to make clear our expectations for all schools – government and non-government schools alike’ (Kemp 1999c, p.5), the Coalition government’s actions demonstrated that they had no immediate intention of bringing private schools into the centralised accountability process, even though its justification was the existence of markets in schooling: ‘parents are, increasingly, using information from schools [that is, test-based reports] to make choices about their children’s education’ (p.5). Kemp had reversed the historical process here. Instead of attributing the provision of information to the already-existing market (the private schools) and thus explaining parents’ choice of the private sector, Kemp had imposed on public schools a market information regime that private schools had so far avoided. Under this regime, parents could monitor ‘school and teacher standards’ (Kemp 1999c, p.5), but only in the public school ‘market’.

According to Kemp (1999c), ‘Australian schooling is already firmly established on principles of diversity and choice both within and between government and non-government schools’ (p.6). But Kemp knew, and all the enrolment statistics showed, that the choice was substantially in favour of private schools in the absence of any serious public accountability or reporting process for those schools. Parents’ hallowed right to choose was being directed for them by governments exposing the inadequacies or
problems in one school sector, while the other stayed hidden from public scrutiny. The duplicity was that for Kemp (1999c) the whole accountability process was to be used to ‘improve the effectiveness of [the Commonwealth’s] school funding programmes’ (p.1). The government surveillance and exposure of public schools would continue to encourage the drift to private schools, which would be used to justify more Commonwealth state aid and more punitive accountability for public schools, because only one school sector could ever be shown to be ‘failing’ in the ‘market’ – the other sector was exempt. This also meant that public school teachers, either through accountability processes of this type or through the enrolment drift to private schools as indicators of ‘market forces’, could never be shown to be succeeding in the market to the same extent as teachers in private schools.

The NSW government was not far behind Kemp in the push for greater accountability. The NSW Audit Office released its report, *The Department of Education and Training: the school accountability and improvement model*, in May. According to Edsall (1999e, p.4), the report connected ‘accountability’ with the hiring and firing of school staff by Principals at the local level. This idea was couched in the report in the language of bureaucracy: ‘Accountability for performance at the individual school level is constrained by the limited autonomy and control which principals have over the mix and quality of their schools’ resources’. More pointedly, according to the report, Principals needed to be able to ‘influence the selection, deployment, professional development and performance management of teachers.’ Here a government department was making a clear link between accountability measures and industrial relations issues around Principals being able to hire and fire staff.

The Audit Office’s report also called for more external exams in all Key Learning Areas in primary schools and more expansive reporting of school performance in the school annual reports. In such a situation more triggers would be given to Principals to engage in ‘teacher improvement’ programs for ‘failing’ staff, which could degenerate into a process of staff harassment – especially if such staff were originally hired by the Principal as contract workers. The report held a vision of a completely fragmented public school system employing contracted teachers. This was the unstated ‘outcome’ that Kemp was pursuing through his championing of test-based accountability and reporting in concurrence with a similar plan subscribed to at the State level.
Five days after his speech in Adelaide (11 May), Kemp announced a major increase in state aid (see Harrington 1999, p.2). It would be based on a radical new calculation of private school ‘need’. The Economic Resource Index (ERI) system (the Category system) would be replaced by a Socio-economic Status (SES) index. This was because the ERI had been ‘inequitable in its application, is easily manipulated and discourages private effort’ (Kemp 1999d, p.1). The private schools serving the ‘neediest’ communities based on SES calculations would have their funding boosted from 56 per cent of Average Government School Recurrent Cost (AGSRC) to 70 per cent. This would increase Federal per capita state aid to these students by $672 per primary student and $762 per secondary student. According to Kemp (1999d), the new funding system would ‘extend choice to low income families’ (p.1).

The fiscal concerns of Kemp (1999d) to cheapen the overall cost of schooling for government were not far behind this concern with ‘equity’: ‘The new system will also remove disincentives to private investment in education’ (p.1), because the SES system ignored school income calculated from fees, bequests, donations, etc., which had been the basis for the ERI system. State aid would now be based on the SES level of the students attending a private school. Nevertheless, the SES system would still have a taper effect like the old Categories – highest SES schools would receive from the Commonwealth $597 per primary student and $829 per secondary student, lowest $3,049 and $4,235. No private school that could suffer reduced funding because of their SES categorisation would have their funding altered in 2000 (Kemp 1999d, p.1). The SES system was another state aid windfall for the private schools; no matter what ‘standards’ were found to exist in public schools, state aid would increase anyway.

Minister Kemp sold the funding changes to the Christian Schools Conference at the National Convention Centre in Canberra on 14 May. He immediately countered the post-budget media questioning of the SES formula’s fairness by stating that the SES was not more ‘favourable to those in one [schools] sector’ nor was the SES implemented at a ‘cost to those in government schools’ (Kemp 1999e, pp.1&2). Interestingly, Kemp (1999e) linked school quality and inputs – a situation he usually avoided by simply emphasising ‘outcomes’. ‘This is a budget that is going to lift the quality of schooling in the government sector and in the non-government sector because the budget contains decisions which provide additional resources to both sectors’ (p.1). The link between resources and quality
was a stark admission by Kemp, perhaps forced on him because the resource differential that his government had pursued between private and public schools had become so great and so blatant that he had to address directly the role of resourcing in achieving quality rather than its achievement through market forces. But the question of private school quality was problematic. While he acknowledged that state-aided schools had poorly trained teachers, he qualified this by saying that their training in the new demands of literacy and numeracy may have been inadequate. But at least he acknowledged that private schools had a problem with poorly trained staff. Of course, the solution for Kemp (1999e) was to increase state aid indirectly through Commonwealth funding for such training through the Quality Teaching program (p.1).

Kemp (1999e) suggested that state aid was an equity issue, but his justification smacked of a voucher system: the extra funding was to ‘lift the resources of [independent] schools’ so they could ‘open their doors to children of the neediest families in Australia’ and say “‘we have the resources that will allow us to provide you with the quality of education that you’re seeking for your child’” (p.2). This seemed to imply that state aid for some schools would be at least equivalent to average public school funding, for if the ‘neediest’ were to afford certain private schools then funding equivalent to the average public school had to be provided for a minimal fee. Kemp (1999e) quoted Peter Crimmins of the Association of Christian Schools who had said that ‘Choice in schooling is now a reality for working-class Australian families,’ and promised that the ‘neediest’ private schools (that is, former Categories 11 and 12, which would have been strongly represented at the Christian Schools Conference) would receive 70 per cent of the ‘cost of educating a child in a government school’, which with the States’ contribution of ‘around 20 per cent’ would mean that such schools received ‘90 per cent of the resourcing of government schools’ (p.2). However, as pointed out previously, the AGSRC figure that this estimate was based on was an over-representation of the actual cost of the public schooling of the ‘typical’ student; the inaccurate AGSRC figure meant that this could be read as providing to at least the former Category 12 schools 100 per cent of the recurrent cost of educating ‘typical’ public school students.

Kemp (1999e) returned to the theme of ‘choice’ and became rather metaphysical in explaining its ostensible centrality to his policies, saying that choice was a ‘fundamental right’ that arose from the ‘natural law that governs the world’. This was why it formed ‘the
basis on which we [the government] make these decisions.’ Kemp linked this bizarre justification for state aid to an apparent denial of rights – especially the right to choose – by the Australian Education Union, which had complained that choice would ‘marginalise the [public] sector and lead to problems in Australian society.’ Kemp emphatically stated: ‘the opposite is the case.’ The Australian Education Union was wrong, he asserted, because the system put in place by the government would ‘have a very powerful effect in lifting standards.’ ‘If parents are voting with their feet, every responsible state government will want to put their government schools in a position where they can respond to that’ (p.2). Kemp went no further in explaining why State governments should be so inclined, especially when the Federal government’s largesse to private schools meant that the more students the States could shift to the private sector, then the less it cost the States – in fact, considerably less.’

Kemp (1999e) gave examples of the supposed lift in standards that was already occurring: devolution of authority to principals and school councils, devolution of budgets, devolution of control over staffing, and increased flexibility over curriculum (p.2). Kemp had skipped from a discussion of academic standards to issues of governance and control as if they were linked. It was perhaps some insight into the way Kemp conceived of the schooling system as a site of struggle for control. His statement here seemed to indicate that as much as ‘standards’ had been rhetorically pushed up front by him as an all-purpose justification for any education policy move, he knew as well as anyone that standards were nebulous and arbitrary things and were not really the first-order concern of the Coalition government. Going through the three points Kemp made above about governance, the real concerns seemed to be the avoidance of responsibility by government for the day-to-day management of education provision by leaving the decisions to principals and school councils, devolving funding so that cuts could be made by the central authority but be lost to public scrutiny in the micro-implementation of that budget at the school level, and the key item, local staffing allowing non-unionised staff to be employed on contracts at a school level where salary disputes would occur with the immediate employer and not the government (see Smyth & Shacklock 1998, pp.24&101-3). The centrepiece of the government’s school ‘reform’ process was an industrial relations strategy.

* Kemp, in 1996, replied to a question in parliament, ‘Let us be clear about this: it costs the taxpayer less when a child is educated in a non-government school. I have been advised that the estimate is a saving to state budgets of an average of $1,800 per child’ (Kemp 1996, p.929).
Kemp’s (1999e, p.2) fourth point was about curriculum flexibility, which he had diminished considerably by encouraging the greater prescription by the States of mandatory outcomes and by the way preparation for the Basic Skills Tests had eaten into curriculum time. By curriculum ‘flexibility’, Kemp probably meant that students could choose between the centrally-imposed, -prescribed and -certificated academic stream or the vocational stream. This may have been ‘choice’, but it was hardly flexibility.

The choice that parents were to have in selecting a school boiled down to just two for Kemp (1999e): ‘whether they’re happy with the discipline in the classroom, and whether they’re happy with the values that are being taught’ (p.2). Since no public reporting of discipline or values was proposed, how were parents to know their ‘standard’? On the basis of what information were they to choose a school? This also went to the crux of Kemp’s concerns with the curriculum reform he was driving in public schools: it now seemed that it would be underpinned by discipline and conservative values.

Indeed, while Kemp (1999e) was pleased to announce that MCEETYA had agreed that ‘every child in the government system will be assessed against that [basic skills] standard and they will report those results from year to year’, for private schools, while he was ‘working closely with your representatives to determine’ accountability processes, ‘It doesn’t necessarily mean taking the state basic skills test’ (p.3). While letting the Christian schools know that they had nothing to fear from accountability through the measurement of ‘academic standards’, Kemp was also picking up on retrograde common sense notions of schooling – that it consisted of punishment and indoctrination. Perhaps many in his Christian Schools Conference audience may have agreed with him, considering their own interests in corporal punishment* and Biblical drill (see Patterson 2001/2002a; Patterson 2001/2002b). But the upshot of Kemp’s posturing was to legitimise parental backlash against public school teachers and have them accept that conservative private schools held educational pre-eminence. Kemp was prepared to go to such lengths and promote such an ultra-conservative position to mobilise support for his campaign to marginalise public

* In late 2000, two private ‘Christian’ schools, Sutherland Shire and Nambucca Valley, attempted to abrogate the requirements for school registration of the Education Act 1990 by insisting on their right to use corporal punishment in their schools (such punishment had been banned by the Act). The schools went as far as taking out full-page advertisements putting their case in leading NSW newspapers. Minister Aquilina did not resile and threatened to withdraw the schools’ registration which would have ended their receipt of state aid – Sutherland’s $2,769,585.30 and Nambucca Valley’s $297,296.48 in 1999. The schools relented (Parker 2000, p.26).
teacher unions. But, then again, it appeared that Kemp was prepared to degrade the quality of provision of education in public and some private schools to achieve the same end.

Commentators reacted to the new Federal government SES funding system soon after its announcement. The AEU published an essay by Alan Reid (1999) from the University of South Australia. His chief concern with increasing Federal state aid, to rise by 9.4 per cent in 1999, was that it would have ‘significant implications for our democratic system.’ This would come fundamentally from ‘redefining public education from the notion of it being a public good, to it being a commodity in an education market place’ (p.1). According to Reid, ‘individual private schools represent a certain population with similar characteristics, such as class, religion or culture or a combination of these.’ This was a problem because rather than a ‘schooling system which fosters diversity within schools, we will move to a system where the key characteristic is homogeneity’ (p.2). It seemed that for Reid, diversity had some connection to democracy, but it was not clear within his argument why that should be the case.

The connections Reid (1999) did draw were that public schools reflected Australia’s diversity, would give students an experience of ‘common ground’, and this would form a ‘civic entity’ called a ‘democratic “public”’ (p.2). The assumptions here about the nature of diversity, the nature of schools and students’ experiences there and the nature of democracy seemed to rest on a conception of a benign state-run schooling system that wanted to produce democratically-minded citizens and for students to accept passively such a situation of imposed meanings of ‘democracy’. However, it was precisely the state that was undermining public schooling in an undemocratic way, let alone any question about the historical veracity of the democratic intentions of that same schooling. Reid had taken an unintended consequence of public comprehensive schooling – that perhaps it formed a democratically-minded citizenry (for which there was no proof) – and situated it as if it had been the central assumption of that system.

Reid’s (1999) concerns were expressed in a manner consistent with the more thoughtful opponents of state aid. However, such concerns generally failed to connect with the empirical evidence of state aid. Critiques like Reid’s tended to resolve themselves into positing the bloody-mindedness of politicians like David Kemp and his attachment to elitism or conservatism as causes of the favouring of private schools. This proposition was
not to be taken lightly, but the solution arising from this type of critique tended to be that if only there were a better, more compassionate Minister or government then everything would be fine. Despite this, the evidence showed that around Australia, in the Anglophone and some OECD countries similar policies and processes were being implemented by politicians of all stripes and dispositions (see Dudley & Vidovich 1995, pp.6-7; Smyth & Shacklock 1998, pp.19-21,39,47-84; Education International 2002*). The answer to the conundrum of state aid and what politicians hoped to achieve by it lay elsewhere.

A loose conceptualisation of the nature of markets and commodification tended to underpin discussions like Reid’s (1999). While concerns over the anti-democratic implications of state aid were well founded, the centring of those concerns on the market for school enrolments was a fetishisation of that market and a reification. In other words, it was a displacing of the actual functioning of the education system onto an idea of so-called markets and making the market in education seem to be more powerful in driving the system than it was. These concerns with the functioning of markets underestimated the more important implications of the business-style authoritarian management of the system that was increasing under the ‘market’ guise. The so-called market in education and the commodification of knowledge were more appearance than reality. Parents were obliged to have their children participate in this market, and when some government-registered private schools received 90 per cent of their funding from governments, it was hardly a ‘free’ or wholly consumer-driven market. In fact, the real consumer of education services was the state using a contracting-out type of relationship between itself and private schools and, increasingly, with public schools. Government control of curriculum and centralised testing also tended to serve as a limitation of true market choice.

On the other hand, user pays meant that the consumption of ‘knowledge’, if indeed the inculcation of knowledge was what schools fundamentally did, certainly gave one aspect and the appearance of a market. User pays tended to be the keystone for such critiques as Reid’s in drawing parallels between schooling and markets. But what were parents actually buying? If the answer was positional goods guaranteed by credentials, as some would have

* Education International (EI) is an international confederation of 311 education trade unions. In the press release referred to above, reporting on the OECD’s Education at a Glance (2002), EI found that the OECD’s indicators for 1999 – the latest available – showed that private funding of education in OECD countries rose from an average of 9 per cent of education budgets in 1998 to 12 per cent of those budgets in 1999. For schools and technical education, the largest private expenditure was in Germany at 24.4 per cent, Korea at 14.8 per cent, and Australia at 14.6 per cent (Education International 2002).
it (see Marginson 1997b), then there were two major problems. The credentials were not market-generated, but were state-constructed and -certified and, most seriously for a so-called market, no final positional good (job) was guaranteed no matter how much the typical user paid. This was hardly typical of the form of trade in which any business operated – except charlatans. The academic demands in the existing curriculum and its attendant competitive meritocracy guaranteed nothing. This would tend to blunt the supply and demand functions found in classical free markets because the actual delivery of a product was not guaranteed. For most consumers of educational services, this was more a roulette wheel in a government-run casino than a market.

The commodity with which governments were most concerned was teachers’ labour power. The largest part of the school education budget was composed of teacher salaries and it was here that most savings could be made by governments. The state aid strategy sought to de-unionise and fragment teacher unions and drive down wages. Teacher unions had to be marginalised in salary negotiations. ‘Free’ enterprises like individual private schools could be more successful at this than huge centralised employers like government departments, which, in a sense, organised their employees on a mass scale even before unions had.

Governments also had one eye on the labour power of students. A more intensified labour discipline was to be imposed in schools around a constantly test-based and individualising curriculum, and failure punished accordingly. The narrower ‘skills based’, academic or vocational curriculum would also serve to disorganise working class culture through its dissociation from any social or political interest for working class students. Indeed, the

* Griffiths (2000b) shows that the very nature of the changes in school structure and student assessment starkly individualises students and carries a type of punitive outcome within it: ‘the issues of choice, specialisation in schooling, and intensification of pressures on students to perform, effectively makes individual students [feel] responsible for their own social exclusion.’

† ‘Teachers are dangerous because they are intimately connected with the social production of labour-power, equipping students with skills, competences, abilities, knowledge and the attitudes and personal qualities that *can be expressed and expended in the capitalist labour process*. Teachers are guardians of the quality of labour-power! This potential, latent power of teachers is why representatives of the State might have sleepless nights worrying about their role in ensuring that the labourers of the future are delivered to workplaces throughout the national capital of the highest possible quality. Rikowski (2001) suggests that the State needs to control the process for two reasons. First to try to ensure that this occurs. Secondly, to try to ensure that modes of pedagogy that are antithetical to labour-power production do not and cannot exist. In particular, it becomes clear, on this analysis, that the capitalist State will seek to destroy any forms of pedagogy that attempt to educate students regarding their real predicament - to create an awareness of themselves as future labour-powers and to underpin this awareness with critical insight that seeks to undermine the smooth running of the social production of labour-power. This fear entails strict control, for example, of the curriculum for teacher education and training, of schooling, and of educational research.
conservative nature of private schools, especially the Christian fundamentalist schools whose growth had boomed since 1996 with the end of the New Schools Policy, would aid in the blunting of progressive demands. Student resistance to such a cultural assault would require even more disciplining by teachers. And, of course, private schools’ exclusionary ability meant that the ‘discipline problems’ would all eventually end up in public schools, making working conditions intolerable.

Thus, at a certain point the expansion of state aid enmeshed both public school teachers and their students in a single process. State aid helped to form the conditions for a cultural assault on working class students. State aid also set the conditions for a two-pronged assault on public school teachers. Ultimately, it appeared that governments expected to drive a large proportion of teachers into the private system through, firstly, a deterioration of public school salaries relative to private schools’ and, secondly, eroding working conditions because all the academic ‘failures’ and ‘problem students’ would reside in public schools. These students would increasingly constitute a larger proportion of students as only the more compliant students would be accepted in the private sector. This process reveals that rather than Reid’s (1999) concerns about the formation of ‘publics’ and the democratic values within schools being central to the state aid struggle, the reality was that the process of marginalising public schools was being imposed unilaterally by government in an undemocratic fashion. This was the central dynamic of the state aid struggle because it exposed the already-existing undemocratic nature of Australian institutions (whether government, private schools or the industrial relations system), not, as Reid would have it, the potential failure by currently untainted institutions to produce a democratic citizenry.

The AEU also released a summary by Research Officer Roy Martin (1999a) of the way the SES system would work. Martin contended that the initial research by DETYA in 1998 into the implementation of the SES system ‘was controlled by the NGS [non-government schools] and driven by their concerns rather than genuine research criteria.’ In its final form, SES funding would be determined by DETYA on the basis of a random selection of the addresses of 100 students at each private school. Each address would receive a weighting based on the Australian Bureau of Statistics’ socio-economic index of Census

'It also, as Boxley (2003) points out, entails strict regulation and self-regulation by teachers of their own pedagogy, where “teachers are aware that the very ways in which they themselves relate to their students are being constrained by the expectations of performative measurability”. Boxley asks the question, “are they becoming to their very hearts Standardised Assessment Task teachers?” (Hill 2003, p.5)
Collection Districts. (p.1) This would reflect the ‘capacity of the community to provide financial support for their schools.’ Funding would then be graded according to an index ranging from a high of 130 (that is, 130 per cent of the average socio-economic status of all Census Districts) to a low of 85 (that is, 85 per cent of the average SES). Those schools averaging 130 or above (the schools drawing on the wealthiest districts) would receive $597 (primary) and $829 (secondary) (13.7 per cent of AGSRC) Commonwealth per capita state aid, while those on 85 or below (drawing students from the poorer districts) would receive $3,049 (primary) and $4,235 (secondary) (70 per cent of AGSRC). All other private schools would be ranged in between these cut-off points. As Martin pointed out, the AGSRC inadequately represented the real (lower) per capita cost of typical public schools and therefore the allocations based on the AGSRC were a distortion of the relative real cost of the delivery of educational services in the typical private school (p.2). This meant that the typical private school, in this case the Catholic systemic schools catering for 70 per cent of all private students, was probably being funded at the same rate by government as the typical public school – and perhaps even at a higher rate, if the complaint by teachers at Umina High School in December 1997 that their funding equated to only $3,500 per student was accurate.

Martin (1999a) listed the problems with the SES system. Firstly, Catholic systemic schools would not have their students assessed by the SES formula for they had all been deemed to be at the same SES level. Secondly, no school would have their funding reduced. Martin found that DETYA admitted that the new SES ‘system’ would really only assess the status of about 750 schools of the 2,500 private schools Australia-wide. The SES system meant that private schools would receive extra recurrent funding of $755.2 million by 2003 and the wealthiest primary schools would receive an extra $72 per capita immediately. Martin listed the effects of the new funding system, including wealthy schools opening campuses in less-well-off suburbs to skim the best public school students and lower their SES rating, and wealthy schools offering more scholarships to poor but high achieving students to the detriment of academic diversity in public schools. In summary, according to Martin, private schools in the pursuit of high academic results ‘will always produce apparently better outcomes than schools that are not able to select who they teach’. On the basis of this corolling of ‘quality’, the resultant drift to private schools would further erode public school funding through the Commonwealth’s EBA clawback and ‘any parent with
aspirations that their child receive quality will be forced to pay’ and public school provision would become ‘basic’ (p.3).

Martin (1999a, p.3) concluded by quoting from the *Sydney Morning Herald*. This was the more telling piece of evidence with regard to the Coalition’s immediate plans for public education:

> David Kemp said that the new [SES] subsidy to private schools was ‘part of a bigger strategy’. ‘The ability to support parents’ choice of school is, from the government’s point of view, a major driver for reform in the government sector at the state level.’ The plan is to produce a competitive environment which will force State education ministers to ‘push ahead with the reform process and stop being intimidated by unions.’ (Martin, L. 1999, p.6)

Martin (1999a) made no comment on this revelation. This was one of the problems with the teacher unions’ analyses of Kemp’s policies around state aid. The array of seemingly disparate and market-based policies was the underpinning of an indirect and largely unacknowledged attack on the unions, but the unions were unwilling to publicly concede that this was the case. Therefore, the mobilisation of teachers and sympathetic forces around the issue of the ‘crisis’ in public education always relied on appeals to second-order issues for ‘moral’ outrage, such as elitism or the disconnection between democracy and markets. As shown in Kemp’s speeches above, he answered all these accusations with claims about choice, standards and diversity that blunted the edge of the moral outrage. But the point was that teacher mobilisation had to be as much about saving the union as saving public schools.

Moral outrage about the SES system was expressed by *Herald* reporter Adele Horin on 15 May. ‘Private schools have hit the jackpot’ was her response to Kemp’s new funding formula. The article centred on the way the Catholic system had avoided the ‘new and fairer needs-based funding approach’ to receive an extra $85 million of state aid. Lobbying from the ‘Catholic hierarchy’, especially by Peter Tannock, who replaced the Labor-tainted Gerald Gleeson as chair of the National Catholic Education Commission, seemed to have done the trick. Horin (1999b, p.45) stated, ‘It is hard to avoid the conclusion that the Catholics did not like what the department’s [DETYA’s] computer revealed [about their future funding under the SES system].’ The response was that the government had
entrenched for five years the funding level that the Catholic system had achieved in 1998 with its recategorisation to Category 11 (see also Harrington 1999, p.3). Horin also gave a quasi-sociological profile of the Catholic system. She began with the ‘poor’ Catholic school myth and moved onto the more recent evolution of the Catholic system.

The crumbling parish school is common enough, no doubt, despite more than 25 years of federal funding. But the system has also benefited from the middle class, many non-Catholics who can’t afford elite schools. As well, the system has expanded into middle-class suburbs, and the more elite independent Catholic schools have joined the system. (Horin 1999b, p.45)

Horin (1999b) concluded with figures from the AEU purporting to show that public schools would be $800 million ‘worse off’ by 2003. Horin closed the article with moral outrage: ‘In Kemp’s world of parental choice, the playing field is tipped to favour some much more than others’ (p.45). Again, the key questions were begged, what was a ‘fair’ level playing field, was choice a bad thing, were some Catholic schools really ‘crumbling’, and what was the real role of state aid? Moral outrage was a poor substitute for close analysis, yet Horin would be seen by many supporters of public education as sympathetic to their cause.†

Two days later on 17 May, the Herald ran opinion pieces for and against the SES system by Sharan Burrow, President of the AEU, and Fergus Thomson, Executive Director of the National Council of Independent Schools’ Associations. Thomson (1999) referred to a former Labor government report from 1996 that apparently showed that the ERI system had become a poor indicator of school need. He then detailed the workings of the new SES system and concluded that it would be better because it would allocate resources that reflected the ‘school community’. It would provide more choice for ‘all families’. It would not disadvantage public schools because the ‘two million students [in public schools] receive about $14 billion annually from the Federal and State governments. The non-government sector with 1 million students receives about $3.7 billion annually from governments.’ He denied that the EBA transferred funds from public to private schools (p.10).

Peter Tannock had been a founding member of the Karmel Committee in 1973 and became chairperson of the Commonwealth Schools Commission in 1981. Don Smart characterised him as a ‘notable protagonist for the Catholic and private school sector’ (Smart, et al. 1986, quoted in Dudley & Vidovich 1995, p.85).†

The depth of Horin’s concern for public schools can be gauged from her parroting of the Sydney Morning Herald’s editorial line in January 1999: ‘But it is time those two behemoths, the NSW Teachers’ Federation and the Department of School Education [it had actually been renamed the Department of Education and Training in 1997], became more flexible. Is it really impossible, as they say, for principals to be given the power to hire and fire teachers, for example?’ (Horin 1999a, p.39).
For Thomson (1999), the argument for the superiority of the SES over the ERI system was clinched by stating that it assessed educational need, not financial need (p.10). This was a new twist to the state aid debate. State aid had been introduced supposedly to bring educational resources in private schools up to those in public schools (indeed, current Federal supplementation grants were based on that historical policy), but the quantity of state aid had been graduated in relation to the income that each school could generate. Now it seemed that there were poor private schools that did not have the resources to provide adequate educational services. In a very few instances with some of the new tiny Christian schools that may have been the case relative to the typical public school. But how much ‘educational need’ did a child of wealthy parents have above that of a typical public school student? About $4,000 more ‘need’ it seemed in total per capita resourcing of the elite private schools.

Sharan Burrow (1999) emphasised the funding inequities established by the new SES system. Children in the ‘richest private primary schools’ would receive an increase of $72 per capita, while those in ‘fundamentalist Christian schools’ would receive $700. The Budget increase to public schools would be a ‘mere $10’ per capita. Burrow once more put a $2 billion figure on the funding shortfall for public schools Australia-wide. Burrow gave simplified figures that showed that since the Howard government’s election in 1996 when the disparity between Federal funding of private and public schools was $1 for every 72 cents, the 1999 Budget had widened that gap to $1 for every 57 cents spent on government schools (p.10).

Burrow (1999) challenged the idea that the new SES formulation was based on need. If so, she asked, then why did the wealthiest private schools’ proportion of AGSRC rise from 12 per cent under the ERI system to 13.7 per cent under the SES system? She pointed to the contradiction that while the government wanted an increase in private contributions to private school funding, the increases under the SES system could well lead to reduced private school fees. The government’s commitment to generous state aid to already well-resourced private schools indicated that it had ‘abandoned any attempt to ensure that all students have comparable educational opportunity through equivalent resource provision’ (p.10).
Burrow (1999) called for ‘significant community protests…across the country’ that would threaten the electoral chances of the Coalition. As president of the AEU, Burrow also called for ‘John Howard to admit his mistake’ and reverse the government’s funding priority, which seemed to be cost-shifting, since ‘the bulk of funding for public schools comes from the States…therefore they [the Federal government] are only responsible for private school funding.’ Burrow reminded readers that in NSW the State government funded private schools at 25 per cent of the cost of public school provision and that ‘there has been a Commonwealth/State partnership in funding schools for three decades.’ In other words, public and private schools were the responsibility of both levels of government and because 70 per cent of Australian children attended public schools, then both levels of government needed to recognise this and make those schools their prime responsibility (p.10).

Burrow (1999) ended with a nice twist on the pro-state-aid argument, wrapping up concerns about the value of AGSRC parities and the private schools and the IEU’s calls for needs-based funding: the ‘obvious solution…was that [Kemp] could have increased the money for private schools by simply increasing the recurrent funding for public schools and then all children would get a share’ (p.10). Nevertheless, this last statement seemed to be something of a concession to the state-aid-lobby’s perennial call for increased funding for all schools – a position that the Teachers Federation and most other anti-state-aiders had rejected. Also, Burrow’s labelling of the increase in state aid as a ‘mistake’ by the Coalition government blunted her critique and was not a good substitute for an analysis of the industrial relations intention of the government in favouring private schools. The link between state aid and the attack on teacher unions was neglected in Burrow’s article. Burrow averred from using a platform in one of Australia’s leading daily newspapers to even suggest that the provision of state aid was the process to be used to undermine those unions covering one of Australia’s most unionised industries.

The Department focused its surveillance regime and blame shifting for school performance onto students and parents in May. Its journal, *inform*, in an article, ‘Making homework work’, paraphrased the NSW Department’s Executive Director of Early Childhood and Primary Education, Alan Rice, saying that homework was important to develop students’ independence and self-organisation. It appeared that the home was to become an extension of the school as a site for disciplining labour. Homework was to be kept ‘regular to
establish a…routine’ (Palmer 1999, p.3). That routine should be enforced coercively by the school, according to one parent quoted by the author: ‘If [homework non-completion] is followed up at school with some disciplinary action, then [the students] learn it is in their best interest to complete it.’ One teacher used a demerit and detention system, to which Rice responded that ‘there are no real answers to these issues except for teachers’ personal choices’ – but the whole article made it clear that expectations around teachers providing homework and surveillance of its completion were not negotiable. The article was most honest when it noted that it was ‘a time-honoured tradition for teachers to set homework and students to hate it’ (p.2). A Year 5 teacher set 10 to 15 minutes homework for their students every night of the week and a Year 7 teacher expected that their students would complete one-and-a-half to two hours homework a night. No teacher was referred to in the *inform* article who did not assign homework or who criticised the new homework push. Indeed, Jeff Daniels of Colyton High unintentionally made the link between school, homework and work discipline. He was paraphrased as indicating that ‘students should have the mentality that being a student is a 40 hour a week job’ (Palmer 1999, p.2). He was then quoted:

> You have to instil the mentality that being a student is a job and they are paid through the greater opportunities and choices it provides. From there you teach them that there are 168 hours in the week that they have to work with. They have 25 hours a week face to face, so in that remaining time they have to complete the remaining 15 hours. (Daniels, in Palmer 1999, p.2)

If this were indicative of a certain significant segment of teacher common sense about the level of surveillance considered to be reasonable to impose on students, then punitive regimes of surveillance of staff could hardly be rejected. This acceptance by teachers that intensified and extended labour discipline and its measurement and surveillance were the natural currency of schools may have been the source of some of the difficulties the Federation had in organising any solid unity amongst teachers (and its own leadership) to resist testing regimes in schools.

POPE organised a demonstration outside Trinity Grammar at Summer Hill on 20 May to protest against the school’s bid for UNSW’s St George campus. A POPE (1999c) media release noted the close connection between Trinity Grammar and the Liberal Party, with Trinity’s junior school principal standing for that party in the electorate of Lowe. The media release quoted Bob Treasure as POPE’s convenor stating that the downgrading of teacher education at UNSW would exacerbate the potential teacher shortage in NSW.
noting Trinity Grammar’s fees as rising to over $10,000 for senior students and the school’s receipt of over $2.1 million in state aid, an increase of 30 per cent in two years, the school’s facilities were listed, including the chapel’s ‘magnificent organ, stained glass windows,… superb wooden buttresses which support the soaring roof’, the ‘indoor sports’ centre[s]…basketball courts, 25 metre swimming pool, weights room, hydra gym, old gym and squash courts’, the ‘hall,… theatre, an entire bank of computers linked to the Internet…, a four storey school of science built in 1996 with a Foucault’s Pendulum, … language laboratory and a brand new school of music, including an acoustically enhanced orchestral room.’ The media release’s main points were that all public school facilities were clearly inferior to those at Trinity and that Trinity ‘neither needs public funding nor a new campus’ (POPE 1999c). Thirty demonstrators in a ‘small but lively demonstration’ heard speakers from surrounding public schools, a Hurstville councillor and ex-students from Trinity. It was noted in an article about the demonstration in Education that UNSW stood to gain $14,999,999 from the sale of the campus to Trinity Grammar as the State government had originally sold the site to the university in 1993 for $1 (Nolan 1999a, p.6).

The Daily Telegraph continued its attack on the Teachers Federation’s position in the salaries dispute. Calling the Federation ‘out of step with the community and its constituency’, the editorial complained that the strike action threatened by the Federation displayed a disregard for the ‘proper industrial process’ and the ‘productivity gains necessary to attain…a [salary] increase’ of the size of the union’s ambit claim of 7.5 per cent per annum. The Federation’s problem, according to the editorial, was that it was ‘more concerned with its own political agenda rather than the overall benefit of the hard-working teachers within the system’ (Daily Telegraph 1999a, p.10). Of course, a 7.5 per cent salary increase would be to the benefit of ‘hard-working’ teachers, but the productivity trade-offs the editorial called for would make hard-working teachers even moreso – however, the editorial did not consider this conundrum. What the Federation’s political agenda was with a Labor government in office was difficult to fathom from the editorial. The editorial seemed to equate the Federation’s attempts to delay the implementation of the new HSC due to its concerns with the hasty and inadequate construction of the English, maths and science syllabuses and its ‘luddite-like…opposition

* Federation’s independently-authored research published in May 1998 showed that an experienced classroom teacher’s salary had fallen from a high-point of 153.46 per cent of NSW average weekly total earnings in 1975 to 105.68 per cent by December 1997. This situation helped to form the background for the ambit claim of 7.5 per cent as ‘catch-up’ (NSWTF 1998c, Figure 1).
to basic skills testing and the creation of western suburbs “super-schools” with political action (Daily Telegraph 1999a, p.10). The Telegraph editorial may have been more perceptive, or at least more intuitive, in understanding the basic thrust of government policy in relation to the attack on teacher unions than its tabloid content and mildly incoherent editorials suggested. It also seemed to be more perceptive than most supporters of public education about the aim of governments’ multi-faceted attack on public schools, that is, to marginalise the union.

A DETYA monograph had to admit that the Budget’s SES system ‘has further stimulated the questioning of the Commonwealth Government’s commitment to the government school system. Throughout the life of this Government, critics of the Commonwealth’s recurrent funding for government schools have argued that there has been an erosion of its funding for government schools vis-a-vis its funding for non-government schools.’ The paper then put the case for the new Coalition position on Federal/State school provision. ‘In the context of general criticism of the Commonwealth’s funding for government schools it should be noted, however, that the States have the major financial responsibility for government school education. Commonwealth specific purpose grants represent about 12 per cent of total spending on government schools with the balance being met by State governments either from General Purpose Grants [also sourced from the Commonwealth] or from their own revenue sources’* (Harrington 1999, p.3). This statement of fact skirted around the issue of why the Federal government should assume the chief responsibility for private schools.† What was their interest in supporting one school sector over another by contributing 38 per cent of the private sector’s total funding? The paper then tabulated the relative shares of the Federal government’s Specific Purpose Payments provided to public and private schools. Between 1998-99 and 2002-03, the share to public schools would fall from 39.1 per cent of the total schools funding budget to 35.7 per cent (from $1,701.3 million to $1,903.4 million), while private schools’ share would rise from 60.9 per cent to 64.3 per cent (from $2,654.8 million to $3,424.7 million) (Harrington 1999, p.5 table).

* This was not a new position for a Federal government. Dudley and Vidovich (1995) comment, ‘the Fraser Government’s “New Federalism” policy under which the Commonwealth was to disengage from policy areas which were the constitutional responsibility of the States provided Fraser with a rationale for the Commonwealth effectively opting out of the funding of government schools. This is argued briefly in the Government’s 1979 Guidelines to the [Schools] commission’ (p.73).
† David Kemp confirmed this situation in June 2000 by writing to all public school Principals in Australia stating that the Commonwealth had a primary responsibility towards the funding of private schools (Fitzgerald 2000, p.13).
Since these figures came from a government department, it is important to expand on their implications for the state aid struggle. The $200 million increase in funding to public schools across 1998-99 and 2002-03 represented an increase of about 12 per cent. If the 0.4 per cent increase in students in the public sector across all States and Territories for the years 1998 to 1999 (ABS 2000, p.9 table 1) were extrapolated across the five years of the tabulated Federal funding figures, then it would appear that there would be a real increase in Federal funding to public schools of about nine per cent over that time above the level of growth of student enrolments. On the other hand, the 30 per cent increase in state aid would be directed at the ten per cent enrolment increase in private schools between 1998-99 and 2002-03, if the 1998 to 1999 ABS enrolment figures for private schools were similarly extrapolated. This meant that by 2003 private schools would receive on average 20 per cent more funding in real terms over and above student enrolments than they had received in 1998. The difference between the sectoral increases was 11 per cent. It was doubtful that the provision of teaching and support staff and teaching materials in all but the smallest and newest Christian schools was eleven per cent deficient in comparison to the services and materials provided in the typical public school. The AGSRC distortion had worked its magic so that for most private schools the 11 per cent increase in funding relative to increases to public schools could mean the provision of material resources and staff salaries above the levels of those provided in the typical public school. Rather than a residualising of public schools through the real reduction of funding to those schools, at the Commonwealth level the relative disparity in funding above enrolment growth between the sectors would allow private schools to offer better quality teaching materials and, more importantly for the Federal government’s grand scheme, significantly higher salaries to teaching staff. It was not so much that the Federal government wanted to destroy public school educational provision, as some anti-state-aiders would have it, but they wanted to undermine the public school unions through residualising salaries in those schools making private schools more attractive for teachers. This was the process of forcing teachers from centralised wage agreements to individual contracts.

The author of the DETYA monograph had some misgivings about the possible effects on public schools of the increased flow of state aid through the SES system.

It is probably reasonable to assume that these changes [the implementation of the SES system] will see a further drift in enrolments from the government to the non-government school sector…. the effect of the changes may be a further weakening of the government school sector by enticing away from the sector those families
who currently have the greatest capacity to contribute to government school communities, both in a financial and a qualitative sense. If this happens the result could be a residualisation of the government school sector, marginalising it and leaving it with those students with the greatest educational need and consequently incurring the greatest per capita expense. (Harrington 1999, p.6)

This was the other tactic of government in the state aid struggle. Conditions would be eroded in public schools to act as a ‘push’ factor propelling teachers from the public to the private sector. Apart from the disdain shown by the DETYA author in the above quote towards poor or disadvantaged students and parents by suggesting that they had less ‘quality’ to contribute to public schools, nevertheless, the real intent of that statement was that with centralised testing as the sole measure of public school ‘quality’ (a contest at which poor and marginalised groups invariably did less well than others*), then public schools and their teachers would become the permanent whipping posts for anxieties about ‘standards’ and ‘quality’, especially as the proportion of poorer-performing students in the public sector increased as the more able drifted to private schools. Exacerbated by this tactic of selective enrolment drift, the centrally test-measured inadequacy of public schools meant that potential reductions in the funding of public schools, school closures or their offloading onto private providers could be justified on the grounds that public education in its totality had failed.

On 8 June Minister Aquilina prevented UNSW selling its St George campus site to Trinity Grammar. This was an administrative decision and Aquilina threatened to enact legislation if UNSW attempted to lease the site to Trinity Grammar. The NSW government was to initiate a review into education and training needs in southern Sydney to canvass options for the site (Raethel 1999d, p.3). UNSW proceeded with a lease deal with Trinity in July, only to have Minister Aquilina introduce retrospective legislation in September removing the St George campus from UNSW’s control and voiding the lease (Raethel 1999f, p.15; Noonan 1999a, p.3). Control of the St George site was resumed by the State government.

The campaign to prevent the expansion of Trinity Grammar succeeded because of Federation action (notably by St George, Canterbury-Bankstown and Fairfield Teachers’

* An Australian Council for Educational Research study found that in its testing of 30,000 14-year-old students in literacy and numeracy between 1975 and 1998 that ‘Students attending a school that has a higher concentration of students from higher socioeconomic groups will achieve higher scores in both reading and mathematics than students attending schools with lower concentrations of students from higher socioeconomic groups.’ Ominously, ‘This influence has increased since 1975’ (Noonan 2003a, p.3).
Associations) in lobbying teachers, parents, Minister Aquilina and the minor parties and independents in the NSW Legislative Council (Nolan 1999b, p.6). Other factors were the demonstration held by POPE at Trinity Grammar and the joint POPE/Federation rally at UNSW’s Kensington campus on 13 September addressed by UNSW academics Tony Vinson and Ted Nettle. Bev Baker from the Federation of P&Cs, Adrian Ryan, State Secretary of the National Tertiary Education Union, and Jennifer Leete, Teachers Federation Deputy President, also addressed the demonstrators. The forty demonstrators marched on the University Council meeting and Council members Deidre Grusovin (Labor MLA) and Lee Rhiannon (Greens MLC) expressed support for the protest (NSWTF 1999c, p.3; Carr & Currie 1999, p.5; POPE 1999d; Guardian, 16-9-1999, p.4; Vanguard, 22-9-1999, p.8; Treasure 1999, p.8). As well, the UNSW student association and some university staff led by Alan Watson campaigned to retain teacher training at the St George site and urged the Minister’s intervention (Noonan 1999b, p.10). Kogarah, Rockdale and Hurstville Councils came under pressure from some residents mobilising against the establishment of the Trinity Grammar campus and a considerable number of teachers and parents wrote letters to the local press and petitioned Minister Aquilina (Aquilina 1999, pp.223-224). The councils spent $20,000 on legal action that they were ultimately unable to sustain (O’Doherty 1999, p.27). Few local residents were found who supported the Trinity development. Liberal Party MLCs Don Harwin and Brian Pezzutti mentioned only eight members of the public who had made representation to them in support of the Trinity Grammar proposal (Harwin 1999, p.849; Pezzutti 1999, pp.858&861). One supporter was the Anglican Archbishop of Sydney, Harry Goodhew, who argued that the new Trinity Grammar campus would provide ‘quality education in Southern Sydney’ (Bernoth 1999, p.5; Pezzutti 1999, p.862). Despite Goodhew’s intervention, further factors in the campaign’s success were the private schools’ dissension over the handling of the tendering process by UNSW and other private schools’ concern over the potential drain of students from less-elite schools in southern Sydney. Bev Baker from the Federation of P&Cs criticised the UNSW sale in July. This was a remarkable act and an extension of purview by a parent representative (Raethel 1999f, p.15).

There was also the Federal/State divide over the issue from which Aquilina could score political points (Aquilina 1999, p.222), but perhaps the most decisive factor was that a situation had developed by which the NSW government would lose to the private sector an asset worth $14 million. The minimal public dissension from the NSW Opposition to
Aquilina’s position made the government’s run easier. Indeed, Opposition shadow education spokesperson, Stephen O’Doherty, had proposed a Bill with similar intentions to Aquilina’s in April 1998. It seemed that even privatisation had its limits (O’Doherty 1999, p.29). The final plan by the government moved away from a teacher training facility to a multi-campus school model, continuing the roll-out of an internally fragmented provision of public schooling. This had not been the Federation’s expectation (Carr 1999, p.5; Carr & Currie 1999, p.5).

Trish Worth, parliamentary secretary to David Kemp, addressed the Annual Conference of the NSW Parents Council on 20 June. The NSW Parents Council was a largely Catholic-schools-based, P&C-type organisation. The Conference was held at the Catholic Institute in Strathfield, Sydney. The address alluded to the Federal government’s difficulties in bringing private schools under the centralised testing and reporting umbrella. According to Worth (1999, p.5), ‘The Government is aware that many non-government schools experience difficulty in assessing and reporting against the literacy and numeracy benchmarks.’ Worth did not elaborate on why that was the case. She continued,

Dr Kemp has commissioned a research project to assist in the development of cost-effective methods to permit assessment and reporting against the year 3 and year 5 benchmarks.

One of the main aims of this project is to provide the non-government sector with options regarding methods, which can be employed to assess and report against the benchmarks. (Worth 1999, p.5)

Perhaps the cost of running centralised tests may have been an issue for the large Catholic system, but since the State government provided funding for their running of the School Certificate and Higher School Certificate exams, it would not seem unreasonable if the Federal government did likewise for the Basic Skills Tests – except if it were trying to cost-shift to the State government or if its determination to implement such tests in the private sector were less than fulsome. There may have been some concern over how private schools would perform on such tests, because Worth (1999) followed the above comments by stating that such accountability and reporting would be in the context of a review of funding for programs for educationally disadvantaged students (p.5). In other words, Worth seemed to be trying to allay the Catholic parents’ fears by suggesting that if private schools were found to be performing inadequately on the tests then special program funding would be forthcoming. The Federal government had never linked the ‘failure’ of public schools with the need for the provision of more special program funding as it had
done here for private schools. At the same time, the 1998 Federal Budget had shown that a slightly disproportionate amount of special program funding was already flowing to private schools. Nevertheless, Worth’s comments signalled more firmly than previous comments by Kemp that the Federal government was seeking to spread compliance with its centralised testing and reporting regime to the private sector. However, by 2003 such compliance had still not eventuated.

An interesting contribution to the state aid debate came from further research undertaken by Roy Martin, the AEU’s Federal Research Officer. His research was released both as an AEU monograph and printed in an abbreviated version in *Education* (Martin 1999c, p.7). Using data supplied by DETYA to a Senate Estimates Committee hearing, Martin found that there was some discrepancy between calculations of the funding increase to the former Category 1 schools under the new SES system. That aside, Martin juxtaposed Kemp’s comments in his Ministerial statement introducing the SES system that emphasised increased funding for ‘the neediest school communities’, what Martin called the social justice and needs-based arguments, with DETYA’s funding figures that showed that the greatest relative increase in state aid in the SES system by 2004 would go to the more wealthy private schools. Martin’s calculations in graphs and tables showed that ‘over half [the existing Category 1 schools] would receive [an increase of] at least $500 [per capita], which is well above the average [increase] for schools in Categories 9 to 12’ (Martin 1999b, p.3). With similar calculations for Category 2 schools, Martin (1999b) found that ‘60 per cent of [those] schools would receive increases over $400, an amount only a small proportion of the poorer Category schools will achieve.’ Martin noted that it was also the Category 1 and 2 schools ‘which have the greatest potential to further increase their gains by creaming off the most able students from low SES backgrounds currently attending both government and other non government schools through scholarships and opening new campuses to lower their [SES] score’ (p.4).

Martin (1999b) used staff/student ratios from the ABS in 1997 to show that even at that stage Anglican and non-Catholic, non-Anglican schools (which would include most of the elite private schools) operated at ratios of 1:12.5 and 1:13.5 respectively, while the public schools’ ratio was 1:15.3 and Catholic systemic schools’ 1:16.7. In these terms the extra funding for the wealthier elite private schools seemed at odds with educational need. Martin surveyed the process used to model and implement the SES system by the Federal
government and concluded that ‘There was no attempt to consult with those who do not have a vested interest in non government schools, or to seek independent opinion.’ As such, the government’s research proposing the SES system had made no ‘attempt to consider the actual outcomes for schools’ (p.4) – which seemed quite ironic considering the fetishism by governments of the careful measurement and surveillance of long lists of public school outcomes.

The objectives of the government Martin (1999b) summarised as ‘quality schooling increasingly becomes something that can only be obtained through families adding what they can afford to an “equitable” government contribution. It is designed to encourage personal investment in personal advantage, to create huge disparities between the levels of resources available to different schools, and to encourage elite schools to expand by creaming off the best students from other schools.’ Under this process, according to Martin, public schools would become residualised, providing for those ‘who cannot or are not willing to pay.’ Martin quipped that for the Federal government ‘Their basic philosophy seems that if only they can persuade everyone to go to an elite private school, the educational problems of the nation will be solved.’ (p.5) What Martin missed was that rather than just shifting students to private schools the government wished to persuade teachers to move to that sector and then governments’ fundamental problem with funding educational expansion would be solved through the institutional practices that underpinned the private school sector: reduced unionisation, flexible hiring and firing practices, contract work (that is, lowering labour costs) and significant parent contributions to school funding (that is, increasing total education expenditure). Once more, a union document that addressed the rationale behind increases in state aid had overlooked the negative impact on teacher organising and union bargaining of the state aid strategy.

The Federation of P&C Associations of NSW had increasingly become more supportive of the struggle against state aid. In June it produced and distributed an A3-sized coloured poster and identical leaflet that showed a photograph of the elite private Pymble Ladies College’s modern-Gothic chapel and manicured grounds, including a colonnade and footbridge, and asked ‘What could your school do with $3.6 million?’ This was in reference to the total amount of state aid received by the College. The poster seemed to assume that public school parents were unaware that private schools, especially those the poster identified as ‘Categories 1, 2 and 3’, received any state aid. This educative function
was set within a policy position identical to that of the Teachers Federation. The higher Category schools were targeted, the (unindicated) SES system’s increases in state aid criticised, the ‘highway robbery’ of the EBA exposed and the information on the reverse of the leaflet gave facts and figures on elite private schools’ funding and facilities. It was a clear attack on elitism encapsulated in one of the poster’s three slogans: ‘End elite funding!’ This was class warfare in the style of the P&Cs’ president, Bev Baker. Parallels were drawn between the most elite schools’ funding and the underfunding of the most disadvantaged students in the Disadvantaged Schools Program, English as a Second Language support programs and pre-school and support programs for children at risk. The greatest social divides in funding and facilities were highlighted by the P&C (Education 1999, pp.5&28).

The P&C leaflet also called for private schools to be fully accountable for their receipt of state aid – but this was to be administrative and financial disclosure, not the test-based accountability suffered by public schools. The leaflet exhorted parents to write to State and Federal members of parliament and their local media. However, clear blame for the provision of state aid was not ascribed to either level of government, nor was the combative role of the Teachers Federation indicated – from which most of the information and policy position on the poster and leaflet appeared to have been drawn (Education 1999, pp.5&28).

Nevertheless, the P&Cs’ anti-state-aid campaign showed that they were perhaps in closer alignment with the Federation than at any time since the Federal Education Commission campaigns of the early 1970s. The blatancy of the Federal government’s increases in state aid no doubt created significant volition for the P&Cs’ campaign. It also showed that the POPE group within the Federation had managed to move state aid onto the public agenda in such a way that broader campaigning on the issue was seen as a reasonable priority and capable of having some success. The P&Cs’ campaign focus also showed that, at least in the reckoning of its leadership, elitism and the underfunding of public schools were connected; they were popular touchstones for public school parents and that all governments were to blame. That state aid was actually a mechanism of attack on teacher unions (and by extension the P&Cs) was not canvassed in the P&Cs’ leaflet or poster.
The NSW government came in for a certain amount of scrutiny from Federation Research Officers Sally Edsall and Wendy Currie in their survey of the June State Budget. The front page of Education was filled with their analysis of the Budget’s education spending. They noted that overall education spending had been cut in real terms by 0.22 per cent, after inflation of two per cent was subtracted from the projected education budget increase of 1.78 per cent (Edsall & Currie 1999, pp.1&5). Nevertheless, within the education budget funding for public schools rose 2.6 per cent (NSW DET 1999, pp.13-14). Education’s share of the State Budget had fallen from 25.7 per cent in 1997 to 24.4 per cent in 1998-99 and then to 23 per cent in 1999-2000. To add fuel to the fire in the midst of the Federation’s salary campaign, the Budget appeared to have made no provision for salary increases (Edsall & Currie 1999, pp.1&5).

The reasons given by Edsall and Currie (1999) for the cut in education funding were the Budget’s surplus of $214 million and that ‘The Government has chosen...to use its sound fiscal position to reduce taxation for business and property owners rather than address the educational and social needs of young people in any meaningful way.’ The analysis of the specific funding of the schools sector showed that there would be about a one per cent increase in funding after inflation for public schools for the expected enrolment increase of 3,824 students* (pp.1&5). However, while Edsall and Currie did not make the following point, even their figures still indicated a one per cent expenditure increase for a projected enrolment increase in public schools of 0.5 per cent. The headline in a box accompanying the page one article in Education, ‘Public education: the end game?’, seemed to over-stretch the idea of the deterioration of public school provision, even if, as the Budget analysis showed, some other areas of State education, particularly TAFE, had not fared as well as schools.

Private schools had their funding increase limited to 0.9 per cent on a projected enrolment increase of 9,271 students; a 2.9 per cent enrolment increase. With this remarkable measure, an increase in state aid below the increase in enrolments, the NSW government recognised that the EBA had reduced its Federal recurrent grants and also recognised the funding boost to private schools from the Federal SES system. The article quoted the Budget papers’ remark that this state aid reduction ‘takes into account recent changes for

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* This was in contrast to the Department’s Annual Report figures that showed an increase above inflation of 2.6 per cent (NSW DET 1999, pp.13-14).
funding to non-Government schools…and the impact of the Enrolment Benchmark Adjustment (EBA) on Government schools.’ This was a decisive response by the NSW government to the Federal government cost-shifting exemplified by the EBA. However, the reduction in state aid only amounted to about $10 million or 2.4 per cent of total assistance to private schools (Edsall & Currie 1999, p.1). A spokeswoman for Aquilina later stated that the reduction amounted to only $5 million (Baird 2000a, p.8).

The NSW government’s response to Federal cost-shifting led to Daily Telegraph education commentator, Maralyn Parker, suggesting that the State government had merely shifted people’s anxiety from the Federal government’s state aid policies to the fairness of the State government’s reduction in the rate of private school funding (Parker 1999, p.26). Parker was focusing on what she imagined to be public perceptions, while her position on state aid remained completely indeterminate – unless she were suggesting that damage to the public’s perception of the State government was of such concern that the status quo on state aid should be retained. Yet that ‘status quo’ had shifted considerably in favour of the private schools over the previous 12 months. However, the State Budget was not completely without significant state aid increases. The private school textbook allowance increased by 3.9 per cent. Edsall and Currie (1999) commented that this would make ‘the job of [private schools] providing for the new curriculum needs of the HSC far easier than public schools, where global [school] budgets increase by only 0.3 per cent after inflation’ (p.1).

The expiry of the previous salaries agreement between the Federation and the Department on 30 June without the Department entering extensive negotiations meant that Federation Annual Conference on 3/4/5 July ramped up teachers’ industrial action. Work bans on school meetings, school planning and programming and attendance at professional development courses were put in place for the first two weeks of August, as were bans on the implementation of any new Departmental initiatives or policies. After-school meetings of teachers would take place from 25 July, in place of a recommendation for a two-hour stop work meeting on 29 July which was defeated at the Conference. Premier Carr and Minister Aquilina were banned from school visits (Jamal 1999a, p.5). Later, the Federation engaged in rolling strikes across NSW from 19 to 22 October (Daily Telegraph 1999c, p.23).
The increased public profile of the NSW Federation of P&C Associations under the leadership of Bev Baker led to a backlash by the Department in July. The Director-General of the NSW Department of Education and Training, Ken Boston, had met with Baker and refused to address the P&Cs’ annual conference, a task Boston had always previously undertaken. At the meeting, Boston complained that Baker was ‘discrediting the parent movement’ because of her close support for the Teachers Federation’s stance on issues like providing teachers with extra pupil-free days to prepare for the new HSC. According to Baker, ‘Boston said the reason he could not address the conference was because I was completely out of touch with real parents, which is the same line that [Premier] Bob Carr is running’ (Jamal 1999b, pp.1&6; Lipari 1999, pp.1&4). Boston soon after criticised Baker on John Laws’ 2UE radio program as bringing ‘the public education system into disrepute’ (Long 1999, p.6).

The Rupert-Murdoch-owned *Daily Telegraph* had pre-empted (and perhaps precipitated) Boston’s attack on Baker with a long-running campaign against her as an extension of its vitriolic stand against the Teachers Federation’s position in its salaries dispute. Ultra-conservative columnist Piers Akerman on 1 April had described Baker’s views in terms of their ‘inanity’, her ‘bizarre logic’ and ‘perverse argument’. This had followed Baker’s admonition of an elite private school that simply expelled a student for drug taking rather than spending some of its considerable income on counselling and support services, as was expected of the public system. On 20 April, Akerman’s column again returned to pillory Baker under the heading ‘Talking head with nothing to say.’ The *Sunday Telegraph*’s editorial of 8 August described Baker as treading a ‘perilous path’ and suggested that Baker’s policies were ‘not only anachronistic, but dangerous.’ On 9 August the *Daily Telegraph*’s editorial denounced her ‘inflammatory remarks’ and ‘ludicrous’ opinions. The accompanying article drew the conclusion from a commissioned poll that the Federation of P&C Associations, under the leadership of Baker, was ‘at odds with the average parents’ views on most major educational issues.’ Yet on that very question, 52 per cent of surveyed parents stated that the Federation of P&Cs was in touch with the views of parents at the grassroots level, with only 36 per cent disagreeing. Interestingly, the survey also asked parents if they accepted the idea that private schools should get no funding (a position now more radical than the one the Teachers Federation had adopted publicly) and 48 per cent agreed (Long 1999, p.6).
The concerted attack on Baker, it may be surmised, was not simply because she had criticised the Department’s recalcitrance on the new HSC, but because she had developed a quite prominent media profile, was vociferous in her support for public education and had linked such support to a virulent critique of state aid. That critique was aimed at private school elitism, which seemed to anger state aid apologists far more than most other barbs. More directly, Baker was openly supportive of the Teachers Federation’s salaries claim in a dispute that was becoming increasingly acrimonious* and to her credit did not resile from her stated positions after the set-to with Boston.† This was not the first such attack on the P&Cs by Boston. In 1994 he had complained about the outspokenness of then President Ros Brennan and had broken off regular meetings with the Federation of P&Cs (Long 1999, p.6). In 1995, Minister Aquilina ‘excluded the P&Cs from his first educational review and accused it of being a mere “vested interest”’ (Lewis 1995, p.15). The lack of consultation was an ongoing problem for the P&Cs. Baker complained that the Director-General had met with the Federation of P&Cs only ‘twice in 1996, three times in 1997, not at all in 1998 and only once this year, which was when you acquainted us with your views on my leadership’ (Long 1999, p.6).

The Teachers Federation came out in public support of Baker and condemned Boston’s ‘intolerance of views’ and suggested that Boston was attempting to pressure the P&Cs into adopting ‘a compliant attitude towards the Department’s and ALP Government’s policies’ (Long 1999, p.6). The attack on Baker and, indirectly, the representativeness of the Federation of P&Cs was part of the government’s attempt to clear the field of intermediaries and isolate the Teachers Federation in the salaries dispute.

The attack on Baker could also be seen as the government further marginalising intermediary organisations that hindered its authoritarian involvement in the running of schools. The Federation of P&C Associations represented 99 per cent of the 2,200 P&C Associations across NSW (Long 1999, p.6). While it had some minority representation on some Departmental and Board of Studies committees (but no more than private school

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* The *Daily Telegraph* had opined on 6 July that the Teachers Federation, ‘fast becoming unrepresentative of the thinking of mainstream teachers, voted [at its Annual Conference] not to co-operate with any government initiative in public schools.... This belligerence is concocted to further the cause of the misguided political agenda of the federation regardless of its detrimental impact on students’ (*Daily Telegraph* 1999b, p.10).
† In May 2000, on ABC radio Bev Baker explicitly supported teachers during the salaries dispute: ‘every three years [during salary negotiations] teachers are put under the kind of pillory that they are under today, the kind of acrimony and disgraceful discussion of the profession that we see today’ (ABC RN 2000b).
Parents’ organisations such as the NSW Parents Council, it had great difficulty meeting with the Minister or Director-General. The leader of the P&Cs also suffered considerable public derision from government representatives when she adopted a more-outspoken-than-usual position and actually questioned the basis of the government’s schools’ policies. What was probably more immediately important for the government was that Baker generally supported the Teachers Federation in the salaries dispute, their concerns over the resourcing and management of public education and, perhaps most damagingly for the government, the Federation’s position on state aid. Indeed, the P&Cs had even spent a considerable amount of money campaigning on that very issue.

Research by the Australian Centre for Equity through Education (ACEE) in July reconfirmed the unequal access by socio-economic status to school systems last raised in May 1998. The paper used ABS data from the 1996 census and showed that students from the most disadvantaged families formed the largest proportion of students by socio-economic status in public schools. On the other hand, students from the most advantaged families formed the largest proportion by socio-economic status decile in the ‘Independent’ schools. Of course, the figures suffered some distortion due to the use of the category ‘Independent’ schools, when that category included both the wealthiest, high-fee private schools and the least wealthy, low-fee Christian schools. This category tended simply to mean ‘private schools existing outside the Catholic system’. The anomaly was clearest when plotted on a graph by socio-economic status and proportion of system enrolment. This showed that about 28 per cent of Independent school enrolments came from socio-economic deciles below the average (Mukherjee 1999, p.3 graph). With average weekly earnings at approximately $35,000 in 1996, it would be difficult to imagine such families being able to afford the $6,000 to $10,000 annual senior student fees applying at the elite private schools at that time. That 28 per cent largely represented the families of students attending the low-fee independent Christian and ethnic schools.

The ACEE data showed that even Catholic systemic schools tended to enrol a higher proportion of students from more skilled, better educated and wealthier families than public schools. However, the most advantaged families tended to opt for the Independent schools and public schools more or less equally at the secondary level. The second most advantaged families opted equally for Independent and Catholic schools, but at half the rate they opted for public schools (Mukherjee 1999, p.4 graph). It could be assumed that
such families used public selective schools or local public schools drawing on privileged suburbs. The point was, however, as the research paper explained, that ‘attributes such as low income, low educational attainment, high unemployment and work in unskilled occupations...are usually negatively correlated with educational attainment’ (Mukherjee 1999, p.1). The research paper showed that these were precisely the backgrounds of the students over-represented in public schools. Such students and schools were now subject to the ‘level playing field’ of basic skills tests and academic examinations that pitted those schools against all others as the central form of accountability. Public school teachers were to be held accountable for these students’ results and the public system held to ransom in terms of funding for its students’ perceived failure. It was almost as if the testing regimes had been implemented with the knowledge of the socio-economic profiles of the systems that the research paper revealed. The connection between disadvantaged students’ underachievement on centralised tests, those students’ concentration in public schools and a blanket testing and accountability regime was the tactical underpinning of the government’s stress on ‘standards’. Many public schools would never fully achieve those standards when they were based on a testing regime that excluded working class experience. If disadvantage meant failure, then the schools that catered most for the disadvantaged would always fail.

A disturbing trend in elite private schools was the imposition of random drug testing of students. It first appeared at Geelong Grammar school in Victoria in 1999 and was taken up by another elite Victorian private school, Melbourne Grammar, in 2000 (ABC RN 2000a). The chairperson of Sydney’s St Andrew’s Cathedral School’s Council, Lindsay Stoddart, also head of the Anglican Education Commission, overseeing Anglican school administration, suggested in March 2000 that such testing be implemented after media controversy in 1999 over the expulsion of students for drug use from the elite Moriah College in Sydney’s eastern suburbs (Baird 2000b, p.1). It appeared that besides regimes of selection and exclusion operating in those schools around wealth, academic ability and parental networks, surveillance of the personal habits of students would follow. This demonstrated the level of imposed conformity that regimes of exclusion could permit – and the fact that students using drugs were seen by elite private schools as an image or behavioural problem to be disposed of rather than a matter for the types of pastoral care and counselling that tended to operate in public schools. It was also the case that expelled students were shuffled on to become the ‘problem’ for lesser private schools or the public
system. This was similar to the privatising of benefits and socialising of costs that occurred in the relationship between business and government – maximising profits became the concern of business, attendant ‘externalities’ the problem for government. At base, such a situation would tend to completely negate any claims by private schools of their educational ‘success’ (their ‘privatised benefit’) – all their failures were either displaced onto public schools (as ‘socialised cost’) or hidden. However, such drug testing went further than the discarding of problems by the private schools. Lou Schetzer from the National Children’s and Youth Law Centre was concerned that such policies ‘amount to a violation of young people’s privacy and human rights.’ The schools’ policies and actions ‘may well be in contravention of key articles in the United Nations Convention on the Rights of the Child’ (ABC RN 2000a). It could follow that the exclusion of people from basic social services like well-resourced schooling, a practice entrenched in private schools and tacitly condoned by governments, also showed a disregard for human rights and social responsibility.

Rodney Molesworth, publicity officer of the NSW Federation of P&Cs, returned to a concept of radical democracy in an article in Education. On 2 August he wrote that the media representation of schools as a ‘blackboard jungle of drugs, violence and falling standards’ had formed a public opinion that may have been based on ‘false or inadequate information’. Citizens had ‘no democratic control’ over the media, Molesworth complained, and, more pointedly for the situation in which he and Bev Baker had found themselves following Ken Boston’s attack, that alternative views were marginalised. The article reflected on and gave facts and figures pertaining to the concentration of media ownership in Australia and the rise of public relations professionals. When the latter were engaged by governments ‘their work amounts to propaganda on a scale unmatched in history.’ Molesworth asserted that the Federal government aided and abetted by the media had patiently generated ‘manufactured’ crises in public education. Molesworth especially referred to Kemp’s focus on literacy and Vanstone’s on the relationship between unemployment and public schools. The politician/media interface was used to propose the solution of school choice. This was an ‘excuse for removing taxpayers’ money from public systems…to subsidise private institutions that entrench privilege.’ It was an ‘abandonment of redistributive equity and community value’ (Molesworth 1999, p.11). Molesworth once more relied on anti-elitism combined with a vision of a type of communitarian
Keynesianism – which he defined as ‘traditional values’ – to marshal disparate ideas about the problems of and solutions for public education.

Molesworth (1999) came closer to the significance of the state aid struggle when he stated that the propaganda barrage emanating from the Federal government was ‘not incompetent, [it is] a carefully crafted plan to discredit public schooling and the democratic and social values they foster.’ The article concluded with a call for ‘effective grass-roots action’ and quoted (unnamed) General Giap, leader of the North Vietnamese military during the Vietnam War, suggesting that such government intervention as was occurring during the state aid struggle would be ineffective because ‘you can’t get there before us because we are already there!’ (p.11).

While the sentiment of popular struggle against the government by public school parents may have served as a rallying cry, Molesworth (1999) basically had made the same distinction between government and citizen as Kemp had used to promote school choice as democratic. Intermediary organisations disappeared in such a discourse (even the Federation of P&Cs in Molesworth’s article), but these were precisely the organisations that could be most effective in waging the type of rollback campaign that Molesworth had in mind. And these were the organisations that governments most intended to marginalise and disempower through the state aid strategy. These organisations were the prime target for the attack on democratic values waged by governments, rather than eroding the supposedly ‘democratic’ values paradoxically ‘encouraged’ in public schools’ through their perennially authoritarian management regimes and centrally-determined, competition-based and politically-tame curricula. This pre-existing form of managing schools was to be strengthened. This ability to have schools bend to the will of management was precisely the reason that governments had some use for public schools. It was intermediary representative organisations for which governments had little time or use. It was extraordinary that a well-meaning article from a well-meaning activist had

* Another example of the government clearing the field of intermediary representative organisations occurred in 1996. The National Schools Network (NSN) was set up by the Commonwealth government in 1993 as part of the National Project on Quality Teaching and Learning. The NSN was a collaboration between public and private schools, Commonwealth and State government representatives, P&Cs, universities and teacher unions. Its funding was discontinued by the Howard government in 1996 (Reyes 2000, pp.2&3). After 2001, Commonwealth funding was halted to the Australian Centre for Equity through Education (ACEE). The ACEE was an initiative of the Australian Youth Foundation and was established through a consortium of organisations - the Australian Council of Social Services, the Australian Education Union, the Australian Council of State School Organisations and Eduquate (ACEE 1999; AEU 2003, pp.3&13).
overlooked the organisational point of the struggle over state aid – the destruction of effective popular representative organisations. This could be excused by the fact that the most centrally oppositional organisation in the struggle over state aid, the Teachers Federation, had still not actively suggested, let alone campaigned around, the issue that state aid, while being a tactical attack on public schools and their control, was most pointedly a strategic attack upon the union.

That attack continued in the pages of the Departmental journal, *inform*. On 15 September, Ken Boston (1999) took three pages to argue the case that the Teachers Federation’s pay claim was ‘unjustifiable’. According to Boston, ‘The industrial tactics being adopted by the union are directly contributing to an erosion of confidence in public education at a time of fiercely growing competition for the education dollar.’ Boston continued with the theme, ‘How can public education thrive if the community is disillusioned’, and related it to the Federation’s industrial action that ‘represents the worst elements of confrontational industrial relations practice’ (p.1). Boston’s basic analysis was built on an understanding that school education was a market-place in which the Federation’s confrontation was helping to erode its market share. Yet, in what followed, Boston showed that he was more interested in the market for teachers’ labour power than school education’s quasi-consumer-led-market.

Boston (1999) felt that the sticking point in the negotiations was that the Federation would not agree to ‘new procedures to deal with the issue of ineffective teachers’ and the ‘implementation of school reviews to improve school performance’. To oppose these important reforms was tantamount to wishing to destroy the public education system: ‘Teachers and parents who support our schools are in no doubt as to the critical importance of these reforms to the status of teachers and the public education system’ (p.1). Here was the invisible hand of the market supposedly ‘disciplining’ education providers by removing their market share. Yet strangely enough the invisible hand seemed to operate through industrial relations agreements fought out very visibly in the media and the industrial courts (not to mention through the provision of state aid). That closely regulated and over-

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* Robert Jensen, a US academic, surmised that President George W. Bush’s reduction of the government social service sector and its piecemeal contracting-out were attempts to avoid the relatively higher density of unionised workers in the public sector as against union density in the private sector. This was both for electoral reasons – the unions’ support for the Democratic Party – and, more worryingly, because ‘unions are a place where ordinary people can come together politically and wield power, and hence they must be eliminated’ (Jensen 2002).
determined ‘market’ apparently searching for ‘quality’ seemed to demand easier disciplining and dismissal of teachers and the imposition of an increased workload. These were the underlying, unstated and market-blind realities of Boston’s ‘reforms’. That such reforms may not have suited teachers and may have led to a deterioration of teaching and learning conditions in schools (so much for the market disciplining for ‘quality’) were ignored.

This efficiency was to be imposed through procedures for surveillance and dismissal of teachers. Under the guise of hunting out ‘ineffective teachers’ and raising ‘school performance’, greater management control of teachers would be imposed in the pursuit of financial stringency. Boston’s article was a symptom of the Department’s bureaucratic leadership seeking more control in schools and classrooms. The weeding out of assertive unionists in public schools would be rendered easier because resistance to or contestation of increased workloads or lower salaries could lead to conflict with a school’s management and make such teachers able to be labelled ‘ineffective’, that is, that such teachers at least potentially could be characterised by the Department (via the principal) as ‘bad teachers’ because they worked against ‘school harmony’. This was a reflection of the Department’s position in its handling of the Lurnea High School conflict in February 1996. In that case, it seemed for the Department that the dissenting staff were the ‘problem’, not the management style of the Principal nor the management structure of authoritarian compliance that underpinned the Principal’s role in all public schools. The surveillance, discipline and dismissal processes that Boston demanded would simply make authoritarian interventions by Principals even easier.

Boston (1999) directly associated public school reform with state aid. ‘The public provision of education and training is facing the greatest competition in its history’. For the public system to survive the Federation had to resile from its ‘unnecessary and unjustified industrial action’ and ‘accept the reality that public schools are steadily losing “market share”…to the private school sector’ (p.1). Boston shifted tack to the Commonwealth’s increased state aid, but with an acceptance of the situation rather than apportioning blame. Private schools would ‘now receive 75 per cent of their recurrent funding from public funds. The public purse will now pay for the equivalent of the full cost of teacher salaries for the great majority of non-government schools. This is a matter of deliberate policy’
State aid was the central strategy to be used by the Federal government to promote sectoral competition. Boston had no doubt about that.

Boston (1999) rehearsed the Commonwealth government’s arguments in favour of competition: choice in schooling and sectoral competition would improve the quality of education in all schools (p.1), stating that ‘This is the reality now facing teachers in NSW Government schools’ (p.2). But according to Boston (1999), ‘public schools…need not fear competition, but exploit it’ (p.2). He then listed the attributes of the public system that could be exploited, without mentioning that public schools already provided quality education.

The competitive edge, however, was to be found in teacher flexibility. Far from rejecting the Federal government’s state aid policy which was precisely directed at dismantling the existing industrial relations situation in public schools, Boston showed that he had understood, at least at some level, that this was indeed the centrepiece of the Federal government’s policies. Boston (1999) noted that public schools needed ‘flexibility’ (p.2), yet the only flexibility he had asked for in his article was for teachers to be more open to surveillance, easier dismissal and a lower increase in salaries.* Boston had tied industrial relations directly to the survival of public education and had shown that the Department’s central concerns were over industrial issues.

The NSW Parents Council, largely representing Catholic school parents, had obviously felt threatened by Aquilina’s address to their Annual Conference in June 1999. He had apparently mentioned increasing accountability requirements for private schools. The Parents Council responded to this in September. After noting that the Minister had invited discussion with the Parents Council on the issues of school registration and reporting of school performance, David York, President of the Council, suggested that the community and ‘individuals in high office’ were misinformed about the level of accountability of private schools to taxpayers and parents. ‘Some individuals and interest groups, opposed to public funds being provided for non-government schooling, take delight in fuelling this non-accountable myth with false and selective misinformation.’ York (1999) went on to list the accountability mechanisms for private schools, but failed to mention that the

* In June 1999, Boston had supported recommendations from the NSW Secondary Principals Council that Principals be given local flexibility in determining the composition and executive structures of their schools (Raethel 1999e, p.10).
financial accountability requirements he listed for Federal and State state aid and for Commonwealth programs reduced themselves to schools or school systems simply stating to the authorities that the state aid they received had been spent in the appropriate way. Such financial accountability of private schools did not include close scrutiny of their accounts, although some limited form of scrutiny of finances and commercial operations was provided by the Australian Securities and Investments Commission if the school were incorporated as a business. York (1999) noted the ‘regular inspection for school registration purposes’, yet failed to mention that after initial registration the school or school system need never be inspected again by the Board of Studies. That that inspection was rather cursory was shown at the Bethel Learning Centre in December 1997 where a school operating outside Board of Studies curriculum guidelines was still registered for the receipt of state aid.

The main forms of accountability that York (1999) reported were the conducting of the Basic Skills Tests and English Language and Literacy Assessment tests in ‘Catholic systemic schools and an increasing number of independent schools’. That the results of these tests in private schools were not necessarily made available to the Department or Board of Studies was overlooked by York, somewhat reducing the force of his assertion that such tests were carried out ‘on the same basis as government schools’ (York 1999). The School Certificate and Higher School Certificate exams were also a form of accountability according to York (1999), and it seemed, given the lack of serious centralised reporting to governments on other areas of private school operation that York’s media release inadvertently confirmed, they were the most important accountability device. York (1999) listed two other areas of accountability: compliance with the Federal government’s Annual National Report on Schooling, which, however, did no more than list numbers of students and schools in the private sector, and ‘participating in the development of the proposals for reporting to parents outlined by…Minister Davis [sic] Kemp’. Neither of these came near to a proposal of making open to public scrutiny financial and equity issues in private schools, which the Federation of P&Cs had called for in June.

Nevertheless, some recognition that private schools could accept more accountability to governments surfaced in York’s (1999) recommendations to the Minister that concluded his media release. The BST and ELLA tests should be provided free of administrative
charge to private schools from 2000, a Ministerial Council on school and student reporting should be established ‘to involve peak school parent bodies’, but governments should ‘make no changes to the Education Act in regard to school registration’ (York 1999). Test-based accountability appeared to be in the wind for private schools, but the sustained flow of state aid to those schools or even an increase to implement a test-based accountability regime were non-negotiable for the Parents Council. Test-based accountability merely emphasised private schools’ need to be as or more academically selective than they already were and to draw more heavily on higher socio-economic groups, but any hint of financial or equity accountability was firmly rejected by the NSW Parents Council.

The Teachers Federation became more proactive on state aid, if couched within terms of promoting public education, with the establishment of Public Education Lobby groups established by south western Sydney Organiser, Gary Zadkovich. Over 220 parents attended the initial meetings at Liverpool and Leumeah Public Schools on 23 September. The meetings were attended by representatives from the Federation of P&Cs, the Federation of School Community Organisations and various Principals’ organisations. Both meetings were addressed by Professor Tony Blackshield from the School of Law at Macquarie University. He specifically noted the culturally divisive nature of private schools. A member of the audience related anecdotal evidence from a colleague teaching at the elite private Moriah College in Sydney’s Eastern suburbs who stated that parents there had pledged $5 million to the school’s building fund at one fundraising evening in 1998 (Zadkovich 1999, p.9).

The Lobby Groups endorsed a charter prepared by the Teachers Federation that included the aims of promoting the achievements of public education and lobbying politicians to increase public school funding. The charter mentioned private school funding, but, in total, state aid formed a secondary focus to that of raising the profile of public education and voicing community concerns at its funding (Zadkovich 1999, p.9).

Roger Williams, President of the Greenway District Council of P&Cs, issued a media release following the Lobby Groups’ first meetings and specifically targeted state aid as an issue for public education. He said that the Federal government’s support for private schools was similar to the NSW government’s and called for a redirection of funding from private to public schools. Rob Deacon, a teacher at Lawrence Hargrave High School and
Federation activist, also focused on state aid as a denial of social justice to the participants in public education (*Guardian* 1999, p.3). It seemed that state aid was a key issue amongst parents and rank-and-file teachers, but was considered less essential to their political activity by Federation’s officials. It was if a dichotomy had been established within the Federation between either mobilising around reductions in state aid or promoting public education, and more attention was to be paid to the latter than the former. The implications for public schools of an erosion in their funding was certainly important, but it was not entirely clear that by 1999 a reduction in per capita resources had occurred for NSW public schools. The broader implications of the increase in state aid, the limited accountability of private schools in terms of industrial relations, and the conservative political attitudes promoted in those schools, should have been of more concern for the Federation. State aid was the major weapon being used to undermine the Federation’s industrial power and to shape the future political profile of the Australian electorate into one where unions became more delegitimised. At a certain level and in certain ways, teachers and parents seemed to realise this, but the Federation still avoided connecting issues of state aid with its own legitimacy and long-term viability.

The Greens Party made plans in October to introduce a private member’s Bill into the NSW Upper House that directly addressed the issue of state aid. The Bill was to amend the *Education Act 1990* in four parts and was to be tabled in the Autumn session of parliament in 2000. State per capita funding to the wealthiest private schools (those charging over $4,000 per annum fees for secondary students and $3,000 for primary students) was to be ended, other wealthy private schools were to have their funding restricted, reporting and accountability standards for those schools were to be the same as public schools, and the savings from the reduction in state aid were to be redirected to the Disadvantaged Schools Program (now the Priority Schools Funding Program) which served the most disadvantaged schools in NSW (Rhiannon 1999).

The Greens’ explanation for the Bill was that since $415 million of NSW government revenue was given to private schools, their proposed redirection of $40 million away from wealthy private schools that had more than adequate facilities – such as heated swimming pools, rifle ranges, libraries and computer rooms – would benefit those students from lower socio-economic backgrounds whose schools had less-adequate facilities. The majority of
schools in the Disadvantaged Schools Program were public schools and the redirection of funds would double the government’s allocation to those schools (Rhiannon 1999).

The Greens noted the support for their Bill from the Teachers Federation, the NSW Federation of P&Cs, the NSW Primary Principals’ Association and the Federation of School Community Organisations and claimed that their Bill was the first in 27 years to address state aid in NSW. However, the point was made that the Bill would not affect state aid to Catholic systemic schools nor to most Rudolf Steiner schools (Rhiannon 1999).

The tactic of splitting the private schools’ lobby by focusing on the elite private schools was similar to that of POPE and the Federation. The Bill’s mover, Lee Rhiannon, in her final reply in parliament on 27 September 2001, thanked ‘the New South Wales Teachers Federation, the Federation of Parents and Citizens Associations of New South Wales, the Public School Principals Forum, the Primary and Secondary Principals Associations, the Federation of School Community Organisations, Priority Public, Save Our Schools and Promotion of Public Education, known as POPE’. This was a quite comprehensive list of more-or-less anti-state-aid groups in NSW. The Bill was defeated in the Legislative Council with the government and opposition both opposing it and only the two Greens members, one Australian Democrat and three Independents voting in its favour (Rhiannon 2001, pp.17202+).

Although the anti-state-aid alliance had grown throughout 1999 and had become more trenchant and multi-faceted in its critique of state aid, the industrial relations implications of the state aid strategy had barely been raised. While the NSW government had been prepared to act on fiscal concerns over state aid and associated events, such as the St George campus affair, the state aid struggle as part of their industrial relations strategy remained hidden to, and hidden by, almost all commentators. Party political, electoral and simply duplicitous reasons seemed to underpin the avoidance of the public linking of state aid with an industrial relations strategy that was clearly and at times openly focused on deregulating the salaries and conditions of public school teachers and on reducing the industrial effectiveness of the Teachers Federation. Even the reduction of the rate of increase of NSW state aid to elite private schools merely underlined the fact that the state aid strategy was an industrial relations strategy used against public school teachers and their union, rather than just a privatisation process.
To summarise, the state aid struggle continued largely over the centralisation/devolution process, especially in terms of responsibility for policy implementation or its disavowal. Policy outside formal industrial agreements would be used to prosecute the state aid struggle in those areas, such as the provision of state aid and the governance of schools, where the Federation had little control or representation. However, it perhaps seemed to the Federation’s leadership and teacher activists that governance issues had least immediate connection to the state aid struggle. Yet the proposed way in which public schools were to be run under the centralisation/devolution process, best conceived as a contracting-out process, was precisely the way that private schools ran. It was an attempt by governments to devolve the periodic industrial relations struggles over teacher salaries and employment conditions to the school level. This coincided with a slow tightening of centralised surveillance of various aspects of schools’ and teachers’ performance, especially through literacy testing. It appeared that the assignment for governments was to control tightly schools’ educational provision (and thus the workload of teachers), while giving schools the lee-way to abrogate the centralised industrial relations system. The Audit Office report in May and the comments by Ken Boston in September were clearly predicated on the development of such an industrial relations situation. Private schools were to be the Trojan Horse of ‘reform’ in the public school system by allowing state aid to favour those schools that were the most academically ‘successful’, but that also had the most authoritarian employer/employee relations. The burgeoning provision of state aid was especially exemplified by the Federal government’s generous SES index system. Stagnating funding of public schools and increased school-level and centralised micro-control and surveillance of public schools meant that this form of the state aid strategy was ultimately aimed at ‘reforming’ salaries and conditions in public schools. The main media outlets were complicit in this agenda.

The state took on the pre-emptive disciplining of the teaching labour force through compelling that labour force to compete on centralised tests at which some of their students would never succeed, but rather than being open ‘market’ competition this largely occurred within the public school sector. Teacher ‘failure’ under such conditions would be more apparent to a critical public, justifying employers churning staff in the pursuit of ‘quality’, making employer ‘choice’ of staff easier, and silencing critical teachers through job insecurity. That is, underlying the whole ‘standards’ and ‘reform’ push was an attempt
to increase the ability of principals or school councils to hire and fire staff and determine salaries. The locally-based ‘flexible’ promotions system in public schools was the precursor.

The need to force teachers onto contracts meant that the representative organisations of teachers (and parents, to the extent they could not be coopted into the state aid strategy) had to be marginalised. These organisations were the target for the attack on ‘democratic values’ by governments. At the same time, governments seemed to have little concern about eroding the supposedly ‘democratic’ values paradoxically ‘encouraged’ in bureaucratic public schools. Public schools’ perennially authoritarian management regimes were to be rendered moreso. Centrally-determined, competition-based and politically-tame curricula were to remove what little ‘professional’ autonomy remained to teachers. This disciplining of both teachers and students meant that ultimately governments did have some use for public schools. It was intermediary representative organisations such as teacher unions for which governments had little use. However, the most centrally oppositional organisation in the state aid struggle, the Teachers Federation, had never openly and coherently suggested, let alone campaigned around, the issue that state aid, while an attack on public schools, was a strategic attack upon itself.

What replaced the making of this linkage were concerns over vague notions of ‘democracy’ and ‘markets’. While concerns over the anti-democratic implications of state aid were well founded, the connecting of those concerns with the ‘market’ for school enrolments was a fetishisation of that market and a reification. In other words, it was a displacing of an analysis of the functioning of the education system onto an idea of so-called markets and making the market in education seem to be more powerful in driving the system than it was. Those concerns with the functioning of markets underestimated the more important implications of the business-style authoritarian management of the system that was increasing under the ‘market’ guise. In fact, the real consumer of education services was the state using a contracting-out type of relationship between itself and private schools and, increasingly, public schools. The commodity with which governments were most concerned was teachers’ labour power. The largest part of the schools’ budgets was composed of teacher salaries and it was there that most savings by governments could be made. In its simplest form, the state aid strategy was about rendering teacher unions ineffective, thereby allowing employers to drive down wages. The shifts in the tactics
employed in the state aid struggle should not be misconstrued as being other than the epiphenomena of an industrial relations struggle underpinned by a long-term employer-led industrial relations strategy.
Chapter 5

Conclusion

The state aid struggle and the New South Wales Teachers Federation 1995 to 1999

In early November 1999, the *Sydney Morning Herald* reported that a teacher had been threatened with dismissal from a Catholic systemic school because of her ‘irregular marriage’. The teacher, Meredith McRae, had been employed for nine years at the Sacred Heart College at Broken Hill in NSW. In September 1999, she was informed by the Catholic Education Office that since she had married a divorced man whose previous marriage had not been annulled according to Catholic canon law, then she would be dismissed unless she took ‘further action on her situation’. McRae’s husband’s marriage had ended 15 years before and he refused the annulment. Meredith McRae was given twelve months to correct the situation. The *Herald* noted that according to Victor Dunn, Director of the Forbes/Wilcannia diocese of the Catholic Education Office, McRae had not been dismissed ‘in the formal, written sense’. The Principal had stripped McRae of her administrative duties and told her that she ‘wasn’t a suitable role model for the children’. McRae said that she was ‘being punished for being a very naughty Catholic girl’ (Noonan 1999c, p.3).

The industrial relations implications of such a situation were profound. The teacher in question was not being threatened with dismissal for incompetence. The Catholic systemic schools’ bureaucracy had determined arbitrarily and without threat from inapplicable NSW anti-discrimination laws that an employee could be dismissed for the most specious of reasons, even those falling outside the workplace. This was the industrial relations situation that state aid supported in private schools. The state aid strategy was an attempt by governments to both drive public school teachers into private schools and into this industrial relations situation or to transport that industrial relations situation into public schools ostensibly as a ‘solution’ to those schools’ test-based ‘failure’. In reality, the ‘solution’ to that ‘failure’ was for governments to drive down teacher salaries through a more authoritarian employer/employee relationship.
The preliminary to the achievement of the goal of the state aid strategy was the undermining by governments of the Teachers Federation’s unity and efficacy. This was the central aim of the tactics used by governments in the state aid struggle to achieve the state aid strategy. The Federation was to be publicly undermined through government-promoted derision of the union and of public schools. More significantly, the Federation was to be undermined by fragmenting teacher unity through exacerbation of the differences between public schools and between public and private schools. These differences were increased by state aid making the resourcing of private schools increasingly superior to that of public schools and permitting private schools to exclude poorly-performing students. The differences and divisions were exposed by enrolment and test-based competition between schools, the competition between individual teachers in public schools for promotion on ‘merit’ (potentially based on students’ performance on centralised tests), and the fragmentation and division of the form of provision of (especially) secondary education. These had the potential effect of rendering public schools even less effective in the struggle with private schools for enrolments and creditable test results.

Rob White (1986) notes that

The specific response of individual teachers to the restructuring of education is thus mediated by a series of concrete factors. These range from pressures relating to wide-scale unemployment, differences in location in the school hierarchy, how teachers view their changing tasks, to differences between the sexes and those arising from the kind of teaching in which one is engaged. (p.19)

While all these were important factors, the last appeared most important in government tactics in NSW with the fragmentation of the previously almost completely comprehensive public school system into one in which academically selective high schools and primary classes, specialist schools, and separate senior and junior high schools added to the undermining of the broad commonality of working conditions amongst teachers.

White (1986, p.10) proposes that the ‘divisions within the teaching force are crucial to consider if one is to understand the form, content and limitations of the industrial approach of the Teachers’ Federation as an occupation-wide representative body.’ The NSW government had moved consistently to increase the divisions within that body to limit its ‘industrial approach’. That is, divisions within the Teachers Federation could diminish its ability to engage in unified industrial action and campaigning. As well, both the NSW and Federal governments between 1995 and 1999 had provided such a surfeit of state aid and
so hounded public school teachers that their union’s representativeness could be portrayed as illegitimate. In this climate, any call by the Teachers Federation to reduce state aid or increase public school funding could be depicted as teachers merely attempting to increase their ‘featherbedding’ and lower the ‘quality’ of education.*

The Federation’s state aid struggle contested the tactical prosecution of the shift in industrial relations priorities and the intensification of governments’ efforts to reduce the Federation’s effectiveness. It was most able to do this where government or Departmental policy was able to be challenged within the existing industrial relations framework of the Enterprise Agreement and the Industrial Relations Commission. However, the Federation had little success in blunting the state aid strategy when it occurred in those areas of policy and funding over which the Federation had negligible control or representation or where there was disunity amongst Federation members. The provision of state aid was so completely controlled by governments that the Federation had found that it merely could contest it through ‘moral’ persuasion of the public at large or some generally ineffective use of electoral threat. The media tended to stifle the broadcasting of the Federation’s message, especially when neither the Federation nor the AEU had explicitly made public the link between state aid and industrial relations. The Federation had never taken industrial action specifically over state aid. The disunity within the Federation over the legitimacy of centralised testing meant that one of the key legitimating devices used by governments to undermine public school teachers’ and the Federation’s credibility proceeded largely unchallenged.

White (1986, p.10) notes that the Federation’s campaigning and ‘strategic activity’ (perhaps meaning industrial action) tended to be directed towards specific ‘economic’ (probably meaning ‘economistic’) demands. Indeed, it could be added to White’s understanding that more-or-less economistic demands were all that could be settled within the formal industrial relations framework in NSW. However, the thesis also revealed that the Federation took action over certain industrial concerns that impacted on workload and accountability, such as the banning of the BST in August 1997, but these were not expressed by the Federation as being part of a struggle against the state aid strategy. In this

* Spaull (2000) notes that the Howard government ‘argued that teachers and their unions had “captured” schools to the disadvantage of consumers and taxpayers.’ Flowing from this, ‘unions were not to be systematically involved in collective bargaining or the making of individual contracts of employment’ (p.149).
instance, the government relented in its plan to extend ‘League Tables’ to encompass the BST results, but the tests remained. The frenzied response by the State and Federal governments to the Federation’s proposed ban on the tests revealed how important they were to the overall tactical prosecution of the state aid struggle, especially when it was recalled that such tests had existed only for eight years by 1997. The NSW education system had functioned perfectly well without them for over 100 years.

Nevertheless, White (1986, p.10), like Mitchell (1975, p.212), notes that the Federation rarely contested ‘control and labour process’ issues. Again, the thesis revealed that whether the Federation intended it or not, its contestation of some issues of workload and teacher autonomy, such as the rejection of the Departmental memorandum in 1998 that limited teachers’ approaches to MPs, could overlap with a contestation of management control. Indeed, any campaigning against state aid or for an increase in public school funding questioned the legitimacy of government control at the most basic level: the provision of resources for school education. However, unless public school teachers so increased their salaries or reduced their workload that budgetary constraints forced the NSW government to cut state aid, then teachers appeared to have very little power to alter the direction of spending on school education. Of course, to achieve such an outcome teachers would have to take industrial action of an intensity and duration never before undertaken by the Teachers Federation. This did not seem likely in the immediate future.

The state aid struggle was tactical by-play over seemingly disparate issues that nevertheless all pointed towards governments’ strategy to undermine the efficacy of the Teachers Federation. The state aid strategy was an industrial relations strategy. No doubt at some level, the leadership of the Teachers Federation probably realised this, as did many rank-and-file members. However, whether the issue was state aid or its converse, the stagnation of funding to public schools, the reality was that public school survival in a recognisable form relied on union strength. The limitation on the Federation in expressly campaigning around this idea was the suspicion of both the wider public and even some of its own members of ‘powerful’ trade unions and apparently ‘unaccountable’ organisations. On the other hand, this thesis attempted to show that the Teachers Federation seemed to be in closer alignment with public sentiment about the role of public education and its funding, as well as the role of state aid, than governments. Yet governments pursued the state aid strategy relentlessly. The chief problem for the Federation seemed to be that the
leadership felt that it could not argue for increased funding for public schools (or a reduction of state aid) and at the same time argue that a strong union was necessary to achieve this. Thus the Federation tended to attack the elitist thrust of Minister Kemp’s policies and pronouncements, engage in debates over the effects of school privatisation (usually exaggerated), promote public schools as guardians of democracy or the public good, complain about the unfairness of state aid, etc. Most other anti-state-aid groups also focused on Kemp’s elitism and the unfairness of state aid. The Federation leadership never really campaigned around the more obscure, but most pertinent, basis of the state aid strategy: that as a large, state-employed, and highly unionised workforce teachers were the real bane for governments wishing to reduce public sector expenditure.

To lower costs to government over time, public schools had to be residualised, teachers de-unionised and wages deregulated. This de-unionisation and deregulation would be most effective if teachers (in the wake of students) could be ‘persuaded’ to move to the less-effectively-unionised private system. The bellwethers for this process were the elite private schools, which cost government least and had low union density, and the small ‘ethnic’ and ‘Christian’ schools, which cost more but had negligible union density. The Independent Education Union (IEU) aided such an approach by demanding more state aid for all private schools. The IEU’s actual weakness as a union, especially in reducing employer prerogative, was never commented upon by Ministers or the media, while public school teacher unions attracted virulent criticism from the same commentators. The state aid strategy was centred on rendering ineffective the Teachers Federation. However, this basis of the state aid struggle was never suggested publicly by the Federation leadership nor explicitly within its ranks. Indeed, this author can find no documentary examples of the latter. The thesis attempted to draw out the industrial implications of the state aid strategy and its potential effect on the field of operation of the Teachers Federation.

The parties registered by the NSW Industrial Relations Commission in the public school teachers’ agreement were the NSW Teachers Federation and the NSW Department of Education and Training. The terms of this agreement operating from 1995 to 1999 were based substantially on the former award that clearly fixed a considerable range of working conditions, including transparent termination conditions. The ultimate abrogation of this agreement seemed to underpin the long-term strategy of both the NSW and Federal governments. State aid was the way in which resources would be used to create a
prosperous and successful private and industrially-deregulated sector of schools to break or subvert public school teachers’ centralised industrial agreement. This thesis accepted on the basis of overwhelming evidence that the erosion of salaries and working conditions of teachers in public schools was concurrent with governments’ increasing state aid. This was one reason why the thesis examined both state aid and the erosion of conditions in public schools as flip-sides of the one process. The industrial struggle around this process was reflected in the Federation’s campaigning both for the improvement of salaries and conditions in public schools and against state aid. The Federation’s militancy could be set on a sliding scale showing most fervour in salaries campaigns to less in some campaigns over working conditions to at times negligible in anti-state-aid campaigning. While this thesis proposed that government support through state aid for private, less-regulated employers was those governments’ way of breaking the hold of the Teachers Federation and deregulating the teaching labour market, it was never connected in that way in official Federation documents. It was certainly never set out so clearly as here that the provision of state aid was one key part of a multi-pronged industrial relations offensive by governments against the Teachers Federation and had to be treated as such by the Federation with the attendant industrial disputation that that entailed.

The NSW government was also putting in place centralising surveillance regimes similar to the Federal government’s, under the rubric of ‘accountability’, which tended to act as tools for increased management prerogative. So it seemed that the convergence of tactics in the state aid strategy for the two tiers of government was around slowly reducing the fiscal cost of public school education, while reasserting direct control over operating conditions in public (and potentially private) schools. Underlying the struggle over accountability of teachers was the erosion of termination conditions, which seemed to be an unstated contention between governments and the Teachers Federation. Easier hiring and firing were the most effective forms of management prerogative. The thesis tracked this as part of the state aid struggle because it seemed make up part of a long-range industrial relations strategy.

The thesis attempted to extricate the parallel struggles between governments and the Teachers Federation over state aid, the downgrading of the provision of public education and the imposition of centralised accountability measures. Most emphasis was placed on the first and the Teachers Federation’s responses. The thesis proposed that as three parts of
a government-initiated industrial relations strategy the three struggles ran in an interconnected way for the Federation, even if they were often treated as separate issues by its leadership. The most prominent aspect of this struggle was the triennial salaries disputes between the Federation and the Department. Unlike the other three areas of contention, the issue of salaries, more than any other issue, brought the Teachers Federation and the NSW government into head-to-head and quite open industrial conflict. Often, as the thesis showed, the issue of state aid was raised by the Federation during salaries disputes to exemplify the contention that public schools and their teachers were poorly treated relative to private schools. Two of these episodes of intense struggle over salaries formed the backdrop for the state aid struggle in 1996 and 1999.

Spaull (2000) notes that public school teacher unions face four contexts of institutional struggle: the relationship between members (and, additionally, with leadership) within the union, the union’s relationship with governments as policy makers, the union’s relationship with governments as employers and managers, and the union’s involvement in the formal industrial relations system (p.xiii). The last was the least examined in this thesis largely because state aid, as such, could not be contested there, while the first three were seen as inextricably linked to governments’ determination of policy, funding and management. The thesis noted that the fragmentation of the teaching workforce around the division of labour in public school education was the tactic by which governments hoped to enhance their power as employers in formal or increasingly deregulated industrial relations agreements. The bolstering of the industrially less-powerful private school sector through state aid and the fomenting of a ‘crisis’ of ‘quality’ in the public system were the tactics used to prosecute the shift in power relations in the sphere of industrial relations.

The legitimacy of the Teachers Federation’s position in the state aid struggle was often reduced to public and member perceptions of its representative right and governments’ acknowledgement or otherwise of that legitimacy. Issues of representation tended to play out as contests over ‘accountability’ processes, during which the private schools and their supporters were notably absent, reticent or defensive. Unrepresentative and less-accountable private organisations, such as private schools and their religious organisations, were crucial to the process of prosecuting governments’ industrial relations strategy. Employer prerogative in such institutions could be exercised in a more authoritarian manner than the relationship between the state and citizens. Private schools and their
attendant organisations were feted and cosseted by governments, which boosted the perception of their representative legitimacy.

It was also the case that a certain proportion of the public had been convinced after decades of effort by pro-state-aid commentators that there were still in the 1990s ‘poor’ or ‘needy’ private schools (again, mostly the Catholic systemic schools) that deserved either some amount or increasing amounts of state aid. The thesis also attempted to portray the main media and political currents in popularising various positions in the state aid struggle. While media commentators taken as a whole tended to be rather equivocal about supporting the governments’ position in the state aid struggle, perhaps because the Federal Coalition’s generous provision of state aid to less-than-needy private schools was so blatant, the Teachers Federation received nothing but opprobrium from mainstream media commentators and, except in two cases by Minister Aquilina in NSW (in the AMES and EBA disputes), politicians of all major parties. These dilemmas had worked effectively enough to mitigate united and determined industrial action by Federation members against state aid for fear of public backlash.

The most crucial aspect of accountability to track and publicly promote the relative decline of public schooling was the imposition of centralised and standardised tests and publicising their results. The empirical ‘proof’ of the decline in public school quality seemed to be reflected in the relatively poor public school centralised test results and the enrolment drift away from public schools. The advent of the Howard Coalition government in 1996 saw the vocal support for such an analysis increase. This ideological attack ran in train with the NSW Labor government’s prosecution of the practical aspects of the downgrading of public education, such as through niggardly increases in public school funding, the expansion of centralised testing, and vitriolic conflict with the Teachers Federation during the salaries disputes of 1996 and 1999-2000. Within a short space of time, such vocal attacks had constructed in opinion leaders in the media a hegemonic ‘common sense’ of derision of teachers and their union for opposing the ‘rectification’ of the ‘failing’ public school sector. ‘Solutions’ were then proposed by governments and acted upon to ‘improve’ public school provision. These solutions almost invariably resulted in the sustained flow of state aid and the practical fragmentation of the provision of public school education, coinciding with an expansion of management prerogative. It seemed that through such fragmentation (within the public school system and between the public and private school
sectors) governments hoped to increase divisions within the public school teaching service and create a diminution in membership of the Federation. The contracting-out of AMES was the epitome of these tactics, if on a limited scale. This fragmentation would reduce the Federation’s ability to act as a unified force. The thesis examined the reorganisation of secondary education in NSW with the imposition of the ‘collegiate’ school systems as a case study of precisely the fragmenting of teachers’ common working conditions. The implicit justification made by the Minister and other commentators for such fragmentation was to better compete with private schools in the education ‘market’.

The state aid struggle was most visible as a more-or-less vitriolic debate in the mass media. Matters of education had always been of media interest, perhaps because almost all of their readers would have had some connection to school education, as former participants or parents (Mitchell 1975, p.200). The intensification of parental anxiety about schooling since the mid-1980s with the constant attack on perceptions of educational standards (see Marginson 1997a, Ch.6) no doubt also created an audience keen to fuel or assuage that anxiety. The debate in the letters columns of the daily newspapers was particularly intense during heightened periods of disputation between governments and the Teachers Federation over various issues: it seemed that everyone had an opinion about school education. The media was not an innocent bystander in the state aid debate. The Teachers Federation rarely achieved more than ‘factual’ news reporting; but when the Federation did receive mention in the editorials of either Sydney daily newspaper, the Sydney Morning Herald or the Daily Telegraph, it was always scathing. This was not to say that some editorialists and media commentators did not point barbs at the Federal and State governments. However, it would appear that no matter the comment or opinion or ‘factual’ reporting in the papers on school education issues, the major news proprietors fundamentally agreed with the Federal government’s attack on unions. This meant that the state aid struggle as a struggle for the continued effective existence of the Teachers Federation was a non-issue for the media. This situation also seemed to influence the way the Federation campaigned – its leadership would argue for funding for public schools and/or against state aid, but not about union rights in organising and membership coverage, which were precisely what were in the sights of governments pursuing the state aid strategy. In general, the news reporting of the state aid struggle was reasonably comprehensive, if only because the Teachers Federation had an effective media office and increasingly directed important parts of its campaign funding towards capturing media
attention. The level of media interest in state aid was most intense in 1997 when the Federation released (erroneous) details that showed that the average Catholic school student received greater per capita state aid than the average public school student.

New South Wales public school teachers were a highly-unionised public service workforce. They and their union, the Teachers Federation, were seen as more ‘militant’ than many other unions. The Federation traditionally assumed the position of a ‘left’ union within the NSW Labor Council (the peak trade union body in NSW), was a member of the Australian Council of Trade Unions (the peak national trade union body) and two former Federation officials, Jennie George and Sharan Burrow, served as ACTU Presidents. The Federation was not affiliated to any political party (including the Australian Labor Party), nor did it supply electoral funding directly to any political party. While this position allowed the Federation room to criticise any incumbent government, it was seen by Labor politicians generally as grossly disloyal. The Federation’s peak union involvement but political non-alignment were significant in explaining the vacillation of the NSW Labor government in decisively pursuing the state aid strategy and its recourse to less conflictual tactical forms, especially its reliance on accountability mechanisms – in other words, reliance on its relatively free-hand in school management and governance.

The power of the Federation should not be underestimated, even if the thesis made it appear that the Federation had been under constant and withering attack by all levels of government from 1995 to 1999. The Federation largely maintained existing working conditions and clawed back salaries from the low-point relative to average weekly earnings in 1995. Arbitrary termination of staff by Principals had not eventuated, despite the chorus of government and media commentators calling for its imposition. And, finally, state aid continued to take only a minor (if growing) proportion of the NSW school education budget and the Federal government continued to supply a proportion of public schools’ funding. So while it can be assumed that governments paid some attention to public school parental organisations’ concerns about state aid, as well as the claims of some specific anti-state-aid organisations, it was the Federation’s campaigning against state aid and campaigning for public school funding that helped to maintain the relatively greater per capita spending on public school students than private school students in NSW. Total NSW and Federal per capita grants, as well as capital works’ funding, still on average significantly favoured public schools in 1999.
Until 1998, the Federation’s policy on state aid had been total rejection. This position created dilemmas of perception for the public and unity within the union. Within the union a minority of members had their children in private (especially Catholic systemic) schools. So while the union’s policy on state aid was quite extreme, its ability to take united industrial action around the issue could be weakened by pro-state-aiders and other sympathetic teachers. Its extreme policy position could not be supported by extreme industrial action. State aid was also generally not perceived as being as much a first-order issue for the union as against more-or-less immediate issues such as working conditions and salaries. The centralised industrial relations system also made struggles over such immediate issues institutionally acceptable (in a sense), while contestation of the whole funding strategy of school education by governments had no institutional terrain upon which it could be fought. This institutional subversion of the Federation’s ability to influence education policy was precisely the reason that governments chose to fund private schools and other private organisations. The thesis attempted to show that state aid should be indeed the strategic first-order issue for the Federation. Salaries and conditions struggles were merely tactical expressions of the union’s and government’s strength at any one point in time, while the union’s united strength was constantly under piecemeal attack by the state aid strategy.

For some Federation members, state aid had become the crucial struggle for the union. Their position seemed to be that state aid would downgrade public school education relative to private school provision. This also coincided with the Federation’s perennial call for more funding for public schools. While campaigning against state aid or in favour of more public school funding could run as parallel issues, they were brought together with the Federal government’s initiation of the Enrolment Benchmark Adjustment (EBA) in 1997. The EBA took Federal schools’ funding from the States proportionate to the enrolment drift to private schools. It appeared that funds were being taken from public schools to support the Federal government’s increasing generosity towards private schools. State aid was for a time no longer a separate or second-order issue for the Federation and saw far more sustained campaign action than at any time previously. However, increased funding to public education always remained the Federation’s chief campaign. The focus on state aid in this thesis should not exaggerate the generally second-order nature of campaigning on that issue by the Federation.
A group within the Federation (Promotion of Public Education – POPE) succeeded in changing the union’s blanket anti-state-aid policy in 1998 so that elite private schools became the main focus for Federation’s anti-state-aid campaigns. It was felt that such a position would unite the union’s membership, while potentially dividing the private school lobby between the elites and other private schools. It was also hoped that such a position would diminish the power of the IEU. It had historically acted as a coordinating force in prosecuting the call for blanket state aid. The leadership of the IEU probably felt, as did the Catholic school leadership, that a reduction or elimination of state aid to any school or schools could act as a precursor to its reduction to Catholic systemic schools. However, the blatant increases in state aid to the wealthiest private schools did provoke some comment from the IEU leadership. The IEU had little to lose from expressing opprobrium at the Federal government’s largesse to elite schools since most of its members were employed in the non-elite Catholic system. While the thesis showed that the Federation’s new policy did little to advance its stocks within the IEU, it nevertheless helped to bring some degree of coordination to campaigning by parents’ organisations, anti-state-aid organisations and non-mainstream political parties. The Federation played the leading role in the growing crescendo of public outrage over state aid across 1998 and 1999.

Private school selection/exclusion was of crucial tactical importance in the state aid struggle. The debate around state aid raised basically political questions flowing from the selection/exclusion rights of private schools. Some of these questions and debates circulated around notions of democracy, the nature and effects of a market in educational services, and the skewing of test-based academic results permitted by the academic selectivity of most private schools (and some public schools). Test-based accountability in the form of the Higher School Certificate became the dominant and most public form of accountability for schools by the mid-1990s, but took no account of the academic (and cultural) selectivity of private schools. Thus, public perceptions of school efficacy when choosing schools in the new education ‘market’ were distorted by the unfair comparison. Testing was expanded progressively in public schools at both primary and secondary levels during the 1990s. Private schools did not have to comply with the totality of this new comprehensive testing regime.
The key point made about centralised testing in the thesis was not so much about the efficacy of the tests, but that they formed a further mechanism for the exercise of management prerogative. The Federation’s ban on the Basic Skills Tests in 1997 elicited such a strong response from the Minister, Department and Industrial Relations Commission that the tests appeared to be have become an absolutely vital management mechanism in schools. Ideologically, paper-and-pencil style testing was a fetishisation of the cultural cache of the ‘middle class’: it was not an educational procedure necessarily organic to schools or to the work of teachers – it was imposed by government legislation and policy and overseen by the educational bureaucracy. In a sense, it perhaps did not matter at one level what knowledge or abilities were tested, as long as some (or many) public school students consistently failed. It was proposed in the thesis that centralised testing acted as both a surveillance device of teachers and as a type of quasi-contract through which the quantity and quality of public school teachers’ work was evaluated.

The testing regime, the unilateral process of its imposition and its associated policies of teacher ‘improvement’ actually were organic to a process of surveillance and management of public school teachers and their teaching. Such control was centred on the surveillance of teacher workload, increasing the possibility for the educational authorities to find fault in the public school system. If all teachers in the public system were ‘at fault’, as several politicians, bureaucrats and media commentators maintained, then governments at least could threaten or destabilise teachers’ certainty of job security. At a local school level, such uncertainty could exacerbate teachers’ reluctance to become industrially active, especially if union activity were to be counted as a black mark of ‘inefficiency’ against teachers at a local level of staffing and promotions – the latter form of localised promotion becoming increasingly significant by 1999. At the same time, test-based failure could be used publicly as a hegemonic device with which to deride public schools, teachers and their union. Centralised testing fulfilled multiple priorities of governments: ideological derision to build popular sentiment against teachers and their union, workload and curriculum surveillance as a type of work contract, and the destabilisation of teacher collegiality and unity through inter-school competition and competitive teacher assessment. Apart from the School Certificate and the HSC, private schools were under no obligation or legislative requirement to comply with the NSW government’s testing regime.
The focus of schools on competition for credible, publicly-reported exam results also undermined the sense of commonality amongst public schools, especially when dezoning allowed students to avoid enrolling in ‘failing’ local schools. When this was added to the attractiveness to many parents of the superior facilities in and selectivity of private schools, especially in conjunction with their ability to displace ‘problem’ students onto the public system so that private schools appeared to be ‘well-disciplined’, then private schools as a whole always appeared to be more ‘successful’ in the ‘market’ than public schools. Governments moved deliberately to foster both real and perceived hierarchies between public schools and between the public and private sectors – with the elite private schools on top, followed by selective public schools and those public and private schools drawing on more advantaged suburbs. These were the schools that achieved best on the only real source of publicly-reported comparison between all schools; the HSC results. All other comparisons derived from news reporting of school ‘incidents’ and politicians’ and commentators’ observations. The hierarchy in school provision even cut across working class utilisers of schools. The Catholic systemic, Christian and other small private schools existed in a superior position in the ‘market’ in relation to working class comprehensive public schools even when drawing on a similar clientele, because they had the ability to exclude ‘difficult’ or low-achieving students.

The thesis was at pains to note that there were problems with the concept of markets in school education. Gordon and Whitty (1997) neatly summarise those problems:

Any attempt to analyse quasi-market systems of education is bound to recognise the tensions between political rhetoric and systemic reality and between policies of increasing state control and opening up public institutions to market forces. The dualisms which feature so strongly…are particularly evident in the systems of funding and accountability…and the ongoing struggle to reposition private and state systems of schools. Schooling systems inevitably straddle the state-civil society boundary. (p.464)

The thesis treated the ‘market’ in education as at best a quasi-market. In the Gordon and Whitty quote, as in much debate over markets in education, the central role of the state was rendered obscure by not directly attaching it to the ‘systems of funding and accountability’ or the ‘ongoing struggle to reposition private and state systems of schools’. These were not mysterious actions. As this thesis maintained, directions of funding, regimes of accountability, the domination and direction of public rhetoric, and the ‘repositioning’ (or favouring) of school sectors all stemmed from deliberate government policies. The state
aid struggle was the Teachers Federation’s attempt to accommodate, deflect, counter or defeat those policies and rhetoric. At the same time, the state-civil society boundary was not as simple as it seems to Gordon and Whitty. The thesis alluded to the process of the state using private organisations to blur and diminish the civil rights of teachers by increasing the industrial rights of employers in school education. The limitations of the public debate revealed in this thesis over the role of education markets, ‘privatisation’, etc., tended to operate both within and outside the Teachers Federation and the AEU to displace concerns over state aid and its industrial relations implications onto questions of governments’ and Ministers’ elitism in favouring private schools, sweeping generalisations of the root causes of the imperatives behind the state aid strategy, and ways to ‘promote’ public education so that it could compete in the school education ‘marketplace’. It was suggested here that the aspect of state aid that was most neglected was its part in prosecuting a totalising industrial relations strategy against the union.

A secondary tactical feature of the state aid struggle was the lesser level of accountability to government of private schools. Private schools’ financial accountability was less transparent than public schools’, the day-to-day running of private schools was beyond the purview of government, their curricular offerings only had to meet minimal provision, and student welfare considerations (especially with regard to social justice policies) were defined broadly by legislation rather than policy overseen by centralised surveillance or investigation units within the Department of Education and Training. The exemption of private church schools from the NSW Anti-Discrimination Act 1977 was significant not just in relation to selection and exclusion of students, but also selection and exclusion of staff. This gave those schools a wider field of operation in which to breach fundamental provisions of industrial legislation.

As private organisations, private schools had more the industrial relations climate of private business than that found in government departments with their detailed policy and appeals processes. The Catholic school system had centralised salary agreements, including an incremental scale and promotion levels, but teachers in the system could be hired at the individual school level where staff selection, promotion, most working conditions and staff dismissal (under certain conditions) were determined. The Anglican system was more ‘flexible’, with more control by employers being exercised at the school level, but with salaries and conditions set within the parameters of the Association of
Independent Schools award. ‘Stand alone’ (non-systemic) private schools, such as the small ‘Christian’, ethnic and philosophically-based schools, either had small numbers of schools covered by an Enterprise Agreement, single workplace Enterprise Agreements or individual contracts.

For governments, labour market deregulation could only fully take place once the Teachers Federation had been marginalised from effective industrial action. As a monopoly union with consistently strong support from its membership, a longer-term series of tactics aimed at a strategic goal had to be put in place to weaken the union. The provision of quality public school education had to be rendered more difficult through punitive surveillance and publicly-reported ‘failure’, while teaching and learning conditions were to be eroded there relative to private schools. Publicised ‘failure’, enrolment drift, declining salaries (relative to private schools) and onerous working conditions were the tools used to demoralise and ‘persuade’ teachers to move to the private sector. However, it appeared that no government wanted the wholesale collapse of the public system. Perhaps they calculated that such a situation would unite parents and teachers perhaps as never before to resist further deterioration in the provision of public schooling. Indeed, such a close alliance was forming during the period studied in this thesis. It can therefore be assumed that all governments would continue to sustain some funding commitment to public schools, if on a trend towards a stagnation of the rate of funding increases as a preliminary to implementing a voucher system of equivalent public/private school funding.

The broad thrust of the state aid strategy also had electoral implications for the major political parties. Historically, by the early 1960s state aid had become an electioneering device to corral the private school vote around either the Labor or Coalition parties, but both the churches and political parties, for differing reasons, were wary of a close state/church relationship. State aid was mainly used to draw electoral support away from the Catholic-aligned and explicitly pro-state-aid Democratic Labor Party, which at times held the balance of power in the Federal parliament. Therefore, both Labor and the Coalition saw that their task was to persuade a conservative part of the electorate of their state aid credentials. State aid helped to entrench this conservative, meritocratically- or religiously-minded electorate around the mainstream parties. With the advent of cycles of boom and bust in the Australian economy after 1974, governments then sought to reduce the rate of increase of their expenditure by privatising services, whether through user pays
or cheaper contracted services. For NSW governments, this certainly meant a clear saving to the budget, since they subsidised private schools at perhaps 11 per cent of the total education budget, yet by 1996 33 per cent of NSW students attended private schools. By the late 1970s, both sides of politics were committed to encouraging a drift to private schools. The Hawke and Keating Labor governments (1983-1996) continued the provision of generous levels of state aid, while in NSW, Liberal Party Education Minister (1988-1991), Terry Metherell, moved explicitly towards a clear favouring of private schools, especially with the 25 per cent state aid provision in his Education Reform Act 1990. However, that drift had more than fiscal ramifications, because it meant that parents, in search of a ‘superior’ education for their children, were ‘choosing’ schools that promoted conservative world-views. State aid acted as an important electoral device in corralling a conservative (‘aspirational’) vote around the mainstream parties, but it also disorganised communal concern around the obligation of governments to provide quality social services.

The electoral imperative also took the form of a new conservatism in school curricula and school management. The assault on working class institutions such as unions was paralleled by a cultural assault on the working class generally through a reordering of public schools’ role. The electoral auction was not just directed at attempting to corral conservative, pro-private-school voters for one or other major party. Schools became sites for the creation of a conservatively-minded (‘aspirational’) electorate. Favouring private schools through state aid and creating hierarchies of schools had moved from an electoral inducement for a social minority to being a process by which governments sought to actively shape the electorate into a conservative, individualised, competitive and achievement-oriented ‘mainstream’.

The assault through schools (and elsewhere) on working class culture could be characterised as authoritarian populism. It was authoritarian in so far as curricular and workplace change in schools was driven by a centralised and centralising bureaucracy
setting arbitrary ‘standards’ while expanding management prerogative. The system’s populism was formed around politicians and the media focusing, to the exclusion of most other ways of analysing schooling, on ‘common sense’ about ‘job readiness’ and vocationalism, individual school ‘success’, school ‘choice’ and the denigration of public schools, their teachers and their union. These administrative and ideological processes came together around contractually-regulated and -enforced competition.

The thesis posited that the erosion of conditions in public schools in the attempt to reduce costs there necessitated a more authoritarian industrial relations climate. Thus, before effective downgrading of salaries and conditions could take place, an ideological and managerial attack on public school teachers and the Teachers Federation’s right to represent them became necessary. Governments, as the employer of public school teachers, showed a tendency towards more arbitrary decision-making imposed through a diminution of employee and citizen rights. This situation was characterised in the thesis as an expansion of authoritarianism. Fragmentation and attempted deregulation of working conditions flowing from increased authoritarian control were to run hand-in-hand with the increasing provision of state aid. The breaking of the effective unity of the Teachers Federation and the threatening of teachers with easy hiring and firing (the potential long term outcomes of the state aid strategy) would make alterations to public school teachers’ salaries and conditions proceed more smoothly. This was the broad process examined in the thesis.

The Federal Coalition government’s Workplace Relations Act 1996 had signalled that trade union rights and trade unions’ ability to manoeuvre industrially were to be reduced. The Act would ‘encourage the growth of individual contracts’ and ‘encourage competition between trade unions’ (Spaull 2000, p.151). This was to enhance employers’ ability to restrain wage rises and alter working conditions in the employers’ favour, ultimately through the use of individual contracts. Of course, the most effective way for employers to achieve ‘flexibility’ in wages and conditions was through their ability to threaten staff with an arbitrary regime of hiring and firing. The reduction in the field of intervention by the Industrial Relations Commission between employers and employees and the transference to the courts through litigation procedures of significant areas of industrial relations disputation meant that the threat of dismissal became more effective as a labour disciplining mechanism.
Conclusion

Contracting-out was the coming-together of authoritarian management and the government’s overall cost-reduction strategy. This was the process underpinned by state aid. It informed the prosecution of most of the tactics examined in the state aid struggle: either the increase in management control or manipulation of policy and structures to undermine working conditions. The state aid struggle was not really about the creation of a free market in educational provision. Unlike a competitive free market the situation was not one of multiple providers offering a multiplicity of innovative products and wholly dependent on demand and cost recovery from paying customers. The state aid strategy sought to create a highly regulated service dependent on government for licensing and funding, either of which could be arbitrarily withdrawn for economic, political, or any other reason, while using private or corporatised employer/employee relations to abrogate the transparency of public service employment relations. The selection of clientele by private schools was simply a subsidiary level of the selection of providers by government. Both were arbitrary and non-transparent. The process was one of creating a free market in educational labour, not a free market in educational provision.

However, the broad thrust of the state aid strategy as defined in the thesis was difficult for governments to implement rapidly, not least because of the resistance of the Teachers Federation through the formal industrial relations system. To turn the public system into a quasi-contracted service provider meant that the process outlined above had to short-circuit the centralised industrial relations system and be rendered ‘informal’. This was the link between the contracting-out methods imposed on both public and private school sectors underpinned by state aid. Public schools were to have the onerous accountability processes (that is, expanded management prerogative) characteristic of some types of contracting-out with teachers simultaneously turned into contract workers. The variation in the method of contracting-out between public and private schools was the major difference in the way the state aid strategy regulated or deregulated aspects of educational provision: state aid had permitted the private school sector to ‘thrive’ when combined with academic selection and the avoidance of fully transparent accountability, while the tighter ‘contracts’ imposed on public schools through stagnating funding and invasive accountability processes left those schools prey to negative public comment and enrolment decline.
The labour market for teachers’ labour power was to be freed up by competition around centrally-determined ‘standards’ between the public and private school sectors. The low academic ‘standards’ and, flowing from this at the level of common sense, the poor teaching standards in public schools would create the perception that teachers in the public school sector were inferior teachers to those in the private school sector. This would assist governments in their public battles with the Teachers Federation to subvert the centralised industrial relations system and be used to differentiate wages and conditions. The provision of increasing quantities of state aid meant that private school teachers’ salaries had eclipsed those of public school teachers in the early-to-mid-1990s and the teaching resources in the vast majority of private schools probably eclipsed those in the typical public school by the late 1990s. Such clear differentials would not only draw students towards private schools, but more importantly as an industrial relations strategy, draw teachers from the highly-unionised public school sector to the less-effectively-unionised private school sector.

The bureaucratic management and increased management prerogative found in public schools with top-down determination of curricula, assessment, accountability and teaching and learning conditions coinciding with little effective union or parent input (let alone student input) had nothing to do with any conceivable notion of democracy. It was workplace authoritarianism, as exemplified by the style of private business management, only moderated by legislated workplace rights, anti-discrimination legislation and agreements between management and unions. All three of these guarantees of what may be called citizen rights in employment were under attack in the period studied in this thesis. The authoritarianism of workplace management under the claim of the ‘natural’ prerogative of employers was used to impose harsher working conditions and accountability mechanisms at a school level, constrain action around improving conditions or salaries at an industry level, and legislate away employee rights at an economy-wide level. It would be appropriate to characterise this development as employer rights displacing citizen rights.

The process as mapped in the thesis showed both the determinate power of governments and the divisions within the union that helped to displace effective concerns, debates and action from a questioning of the function of such a regime of control in schools. By the end
of 1999, governments’ prosecution of their state aid strategy did not seem to have been diverted from its course.
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