

Tomorrow's Schools: Yesterday's Mistake?

A paper to the PPTA Annual Conference from the Executive

*By three methods we may learn wisdom;
First, by reflection, which is noblest,
Second, by imitation, which is easiest,
And third, by experience, which is the bitterest.*

Confucius 551BC – 479BC

1. Introduction

It is fair to say that PPTA's support for the educational reforms that were enacted in 1989 under the name Tomorrow's Schools was muted. The PPTA submission warned that New Zealand had previously experimented with devolution almost 100 years earlier and the result was "falling standards, and marked differences between the provision of education in the 'poor' provinces and the 'wealthy' provinces".¹ Twenty years on, it seems that concern was entirely justified. The purpose of this paper is to consider the sum total of the intended and unintended effects of Tomorrow's Schools, and ask whether the 20th century platform that Tomorrow's Schools is built on can meet the needs of 21st century education.

2. Background

When Tomorrow's Schools was set up, 20 years ago, it was with the promise from David Lange, then Prime Minister and Minister of Education, that it would result in "more immediate delivery of resources to schools, more parental and community involvement, and greater teacher responsibility". He went on to promise that it would "lead to improved learning opportunities for the children of this country".²

While David Lange may have been genuine in his intention to empower communities to run schools, the evidence is that those charged with implementing and developing the reforms were more interested in imposing "market discipline" on the school sector. The officials who wrote the 1987 Treasury briefing papers for the incoming government³ were more focused on extracting "value and efficiency" via the mechanisms of competition and choice than empowering communities.

The blueprint for Tomorrow's Schools was *Administering for Excellence* ("the Picot report"), published in April 1988, its title betraying its origins in the public sector management theories popular at the time. Schools were to enter a new world of mission statements, priorities, objectives and accountability, all of which would make them efficient and effective. They would be kept up to the mark by "consumers", who would choose to

¹ *PPTA News*, August, 1988, p 6

² David Lange, *Tomorrow's Schools*, August 1988

³ Treasury, *Government Management: Brief to the Incoming Government*, volume 11, Wellington, 1987

send their children elsewhere if dissatisfied, and by the review and audit agency that would monitor performance.⁴

The system proposed was highly devolved and based on decision-making at the school level, with individual boards of trustees as the lynchpin. Secondary schools were already run locally, by boards of governors that had hiring and firing powers, so the real Tomorrow's Schools revolution was in the 2259 primary schools.⁵ These schools had previously been heavily supported by the regional offices of the Ministry of Education.

In a nod to the advocates of community empowerment, the system was held together by informal regional structures called Community Education Forums, which were to feed into national policy via an eight-person Education Policy Council. This latter body was never established and the informal Community Education Forums never really got under way. A Parent Advocacy Council was also set up to promote the interests of parents. In a victory to the economic rationalists, this was disestablished by a National Government in 1991 along with the very moderate form of zoning that the Picot report had proposed: "the right of a child to attend their nearest school". Instead, schools were empowered to determine their own enrolment schemes, which in practice had them cherry-picking students according to academic, cultural and sporting criteria.

The sum total, as Cathy Wylie has pointed out, was a system devolved to an extent not replicated anywhere else in the world – either then or now.⁶ The benign-sounding "parental and professional partnership" that was to run schools was a front for fully bulk-funded, competing units reliant on attracting "customers" to survive. Teacher registration was considered unnecessary, as it would interfere with the operation of the market. Principals did not need an educational background because generic management skills were all that was required. Teachers and principals were both to be appointed on fixed-term contracts and paid on performance, based on the number of students attracted to the school or to a particular course. Costs were to be driven down over time by a single salary and operations bulk fund.

As the model evolved, many of these ideological principles were abandoned in favour of more pragmatic approaches. As noted above, zoning was abolished in 1991 but reinstated in 1998 and expanded in 2001; teacher registration was abolished in 1991 and reinstated in 1996; bulk funding, after a 10-year trial period, was removed from legislation in 2001; the Ministry of Education began as a hands-off, policy-only ministry in 1989 but this had changed by the mid-1990s, when it had become clear that, in respect of "failing schools," the public thought that the buck stopped with the government not the market;

⁴ *Administering For Excellence: Report of the Taskforce to Review Education Administration* (the Picot report), Wellington, 1988

⁵ The pre-1989 role of secondary school boards of governors has been all but obliterated from the record. Graham and Susan Butterworth's history of the reforms (*Reforming Education 1984–1996*) states, inaccurately, "a principal, although manager of the school enterprise, had no say at all in the selection of staff and only the slightest discretion in allocating the school's financial resources" (p120). Similarly, the New Zealand School Trustees Association, in a report on the findings of the board of trustees stocktake (July 2008), announced: "Before 1989 schools were run by the Department of Education".

⁶ Cathy Wylie, *What Can New Zealand Learn from Edmonton?* NZCER, 2007

decile funding was introduced in 1995 in recognition of the reality that not all communities were equally able to access additional sources of income; the Review and Audit Office became the Education Review Office and gradually changed its role from a narrow audit function to a “review and assist” model; and teacher training, initially the preserve of the market, was reined in by the Teachers Council in response to quality concerns. Over time, the ministry has had to take a much more interventionist role, with the appointment of statutory managers and other agents to a number of boards.

3. A frog in water

The system that has evolved is an uneasy mix of market ideology and pragmatism. Like the proverbial frog in gradually heating water, New Zealanders seem to unquestioningly accept the contradictions and compromises that are required to sustain the Tomorrow’s Schools’ vision. A moderate suggestion from the Minister of Education in 2006 that the model should be reviewed caused such an outcry from vested interests that the review’s terms of reference were watered down and the challenging issues side-stepped.⁷ Instead, Cabinet ruled that discussion of the governance model per se was off the table. Yet it has never been more critical that New Zealanders reflect honestly and dispassionately on the intended and unintended outcomes of Tomorrow’s Schools and consider the extent to which it fosters educational achievement, innovation, self-management, fairness, democracy and value for the taxpayers’ dollar.

3.1 Achievement

It is somewhat astonishing to consider that there has been no measurable improvement in achievement that can be attributed to the Tomorrow’s Schools reforms. Strictly speaking, the advocates never promised any such thing, though it seems strange in hindsight that improved achievement was not given more consideration. The various reports at the time proceeded on the unspoken and unproven assumption that, if schools were “responsive and flexible” and run efficiently according to all the favoured management principles, then improved learning outcomes would be inevitable.

The record reads differently:

Secondary qualification levels and the retention of students in secondary school either dipped somewhat or showed little improvement until the introduction of a standards-based qualification in 2002. It is only recently, after the Ministry of Education took the lead in providing research-based professional development, new assessment tools that could quickly identify gaps in student learning and resources that teachers could use to meet those identified needs that New Zealand saw gains at the primary level, particularly for low-performing students.⁸

⁷ Eventually published by NZSTA as *School Governance: Board of Trustees Stocktake*, July 2008. It is a summary of feedback from school principals, board trainers, limited statutory managers, school commissioners and Ministry of Education staff.

⁸ Cathy Wylie, *What Can New Zealand Learn from Edmonton?* NZCER, 2007

The belief that administrative and management change would lead to educational improvement has not been borne out. Interestingly, the absence of solid evidence of achievement gains has not led to a re-examination of the ideology underpinning Tomorrow's Schools; instead, new assumptions have been created to explain the lack of progress.

Initially, the explanation was couched in terms of teacher quality and the predictable solution was to be performance pay, though evidence for the supposition that paying a few teachers more will improve overall achievement is hard to find. Performance pay schemes have fallen out of favour somewhat, and the last 10 years have been characterised by a growing academic interest, perhaps fuelled by the development of e-learning, in the mechanics of teaching and learning. The result has been a greater recognition of the importance of relationships in the classroom and an appreciation of qualities such as trust, openness and collaboration, none of which are particularly encouraged by performance pay schemes. There is good reason to believe that a more intense focus on and support for the teaching and learning nexus will lead to improved achievement.⁹

The next explanation seized upon for lack of evidence for systematic improvements in achievement was "leadership". Substantial investment has been made in principal leadership, including the Ministry of Education's Kiwi Leadership courses for principals and numerous academic courses run by universities. Not everyone is convinced that they make any difference:

The reason for the lack of headteacher impact on pupil performance and attitudes is, they believe, because schools are 'loosely coupled' organisations where the ability to influence performance diminishes rapidly the further one is from the pupil. This means that individual teachers have much more impact on learning than heads, whose influence can generally only be wielded indirectly through the staff. Probably the most important thing headteachers can do for their pupils is to make sure that there are good teachers in their classrooms. Headteachers are important, they conclude, but not in the way that officialdom has perceived them in England for the last ten years.¹⁰

3.2 Innovation, Initiative, Entrepreneurialism?

The cornerstone of Tomorrow's Schools was that, once freed from bureaucratic constraints and able to make their own decisions, schools would successfully promote the interests of the "consumers of education". The idea that boards might need more

⁹ Best Evidence Synthesis: see <http://www.educationcounts.govt.nz/themes/BES#commentary>

¹⁰ J O'Shaugnessy, P Tymms, J Searle, D Moynihan, *The Leadership Effect: Can Headteachers Make a Difference?* Policy Exchange, 2007. See also B Witziers, R Bosker, M Kruger, *Educational Leadership and Student Achievement: The Elusive Search for an Association* (2003): "Student outcomes are more likely to improve when leadership is distributed throughout the school community and where teachers are empowered to take on leadership roles". <http://www.policyexchange.org.uk/images/libimages/249.pdf>

deliberate support and guidance to achieve this end was largely absent from the Picot report. Drawing on public choice theory that saw humans as self-interested, the report confidently predicted that putting full trust in the competence of individuals would encourage “the development of initiative, independence, personal responsibility and entrepreneurial abilities”.¹¹

In practice, the application of market principles in schools has not so much encouraged individuality but produced a rigid consumer-driven conservatism. The schools that have increased their popularity over the last 20 years have been the traditional secondary schools, usually single-sex, situated in wealthy areas, characterised by a focus on academic achievement and recognisable by their compulsory uniform requirements. The experimental schools of the 1960s and 1970s have vanished – and not always quietly. The 21st century New Zealand parent has declared a preference for a school that is as close as possible to an antipodean version of a 19th century English public school.¹²

To the extent that there has been educational experimentation, it has been in the schools that have been at the sharp end of roll decline. These are the schools that were first to explore the innovative curriculum potential offered by NCEA, developed mechanisms for supporting students into further education and training, and pioneered the use of ICT for curriculum delivery. Lest it is mistakenly assumed that these innovations were a direct product of roll decline, it should be noted that these schools have been able to pursue these initiatives only because they have been able to access additional central funding (rural proposal pools, TFEA, Gateway, STAR, funding for e-learning, and so on) and even then their viability is perpetually in question.

The main area of innovation has arguably been in the area of fundraising. With a long period of frozen, bulk-funded operations grants and rising costs from inflation and whole new areas of expenditure, meeting the demands of under-resourcing became increasingly pressing for school boards struggling to maintain basic operational and educational standards. Community fundraising, the opening of schools to ever-greater numbers of foreign fee-paying students, disputes over school “donations”, frequent “work days” and other fundraising activities have become a regular part of school life.

3.3 Self-Management

Of all the myths that have sustained Tomorrow's Schools, none has been more pervasive than self-management. Almost since its inception, concerns have been expressed about the capacity for boards to carry out the tasks expected of them and the risks to students' education if a board should prove unequal to the task. As a result, there has been a gradual expansion in the statutory powers of intervention granted to the ministry and the minister. While these provide some options, it is still the case that intervention is not made lightly. A school has to be verging on a public meltdown before action is taken.

¹¹ *Administering For Excellence: Report of the Taskforce to Review Education Administration* (the Picot report), Wellington, 1988, p 4

¹² We are aware of an experimental secondary school in Christchurch but, in general, nationally, the move has been back to uniforms and “traditional” schooling.

The Auditor-General, in an investigation into the Ministry of Education's role in monitoring and supporting boards at risk of poor performance, noted that:

we were not able to establish that the Ministry decided to offer support, either informal support or statutory intervention, consistently and in a timely way for all regions and boards.¹³

He went on to question whether there was sufficient evidence that statutory interventions improve governance in the long term. In other words, a whole cohort of students may pass through a “failing” school before its issues are addressed, and even then there is no guarantee that a particular intervention will change anything for the better.

These concerns are no doubt valid and must be taken seriously, but calls for more direct ministry involvement in governance represent a dramatic about turn in respect of the role established for the Ministry of Education in the Picot Report:

we are firmly convinced of the direction the ministry should take. Policy formulation – policy advice upwards – must be the force that drives the ministry. Too often through submissions and our own observations, we have been aware that one of the failings of the current department is its inability to remove itself from the day-to-day interpretation of regulations and minor policy and to offer policy initiatives.¹⁴

It seems that, even after 20 years of devolution, New Zealanders are not convinced that that the buck stops with the school and expect some reasonably robust intervention from the ministry from time to time. It has become relatively commonplace for a hapless ministry official to have to appear on a television news programme to explain to viewers why it has failed to step in and assist a school that has problems with its property, personnel or financial management. The correct answer might well be that, under the self-management principle, boards are actually free to make poor decisions and force the teachers, students and community to live with the consequences, but it would be a very unwise ministry official who attempted to point this out publicly.

To the extent that there has been a systematic expansion in the Ministry of Education, it reflects an increased public expectation that schools will not be left to fail as Picot envisaged, and that central agencies must step in to protect the interests of the students. There is also a growing recognition that a system that effectively sets up every individual school as a discrete fiefdom in competition with its neighbours needs a referee or broker to moderate the competition, so as to ensure fairness and ensure that taxpayers' money is spent reasonably and wisely.

¹³ Office of the Auditor-General, *Ministry of Education: Monitoring and Supporting School Boards of Trustees*, Wellington, June 2008, p 6

¹⁴ *Administering for Excellence*, p 59

In expecting the ministry to assume a more “muscular” role in schools, the public is increasing the tensions implicit in the self-management model. The ministry has few levers that can be used to compel a school to more directly consider the needs of its students, neighbouring schools or the taxpayer. Intervention by ministry officials amounts to little more than mediation. Moreover, there are capacity issues because, as mentioned above, the 1989 reforms very deliberately got rid of the regional agencies that interceded between the centre and schools. The ministry has only a modest operational capacity, which it supplements by the use of consultants, an option that is both expensive and self-defeating because it prevents the development of capacity and institutional memory.

One of the consequences of the policy vacuum that now exists between the centre and the peripheries in New Zealand is that the relationship between the ministry and schools is characterised by audit and compliance demands from one party and resentment and mistrust from the other. The increase in auditing, monitoring and compliance, demanded by the State to try to ensure that taxpayer resources are appropriately spent and national objectives for education are met locally, draws resources away from the classroom, increases teacher workloads and exacerbates teacher supply pressures. Inevitably, this must impact on student achievement. The Tomorrow’s Schools vision anticipated that schools would be given clear objectives by the State, along with the freedom and the resources to carry them out. In fact, schools often have more freedom and responsibility than they can cope with and generally less resourcing than they need to meet constantly rising expectations.

In her paper *What Can New Zealand Learn from Edmonton?* Cathy Wylie compares what self-management means in other jurisdictions, using Edmonton in Alberta (a Canadian state that began a journey towards school-based management around the same time as New Zealand) as a case study. She observes that the levels of mistrust there were much lower:

The New Zealand system of every school having their own boards did not appeal to any of those I spoke with. They saw it as having less flexibility than their own system, both for principals and the district as a whole, as being too narrowly focussed, as inefficient, and as running the risk of framing schools as parents’ responsibility and interest, rather than the wider community including local authorities and businesses. The Albertan system of having every citizen able to vote for those on their district’s education board underlined an important value that the general quality of education was important for all.¹⁵

In contrast, there is little in the New Zealand system to encourage shared, national responsibility for the quality of education. While there have been attempts to facilitate greater cooperation across schools (for example, legislative change to allow boards to combine, the provision of financial support for school mergers and the introduction of

¹⁵ Cathy Wylie, *What Can New Zealand Learn from Edmonton?* NZCER, 2007, p13

virtual learning networks (VLN)¹⁶ the overwhelming ethos of the system remains competitive and self-interested. Informal efforts to collaborate by sharing staffing through cluster arrangements are invariably complex and can raise challenging employment and legal issues.¹⁷

The fundamental problem with 2500 self-managed schools trying to operate effectively in a national system that is minute by global standards has been well documented, as evidenced by this example from one of the schooling improvement projects in 2000:

There are features of all school choice and self-management policies, and of New Zealand's in particular, which encourage schools to understand their interests as distinctive and individual, rather than collective. The more school communities emphasise their distinctiveness and the validity of their local knowledge base, the less their capacity to tackle or prevent problems that arise between schools and school communities. As school leaders focus on and are rewarded for their work in their own school, they become less aware of inter-school issues, they lack incentives to tackle them even if they are aware of them and there may be disincentives to becoming involved. Since many educational problems can't be tackled at the level of the individual self-managing school, or may be tackled in ways that make the overall situation worse, mechanisms are needed which enable self-managing schools take a more collective approach to certain problems.¹⁸

A significant example of the failing of a devolved system is in the area of teacher supply. Schools have responded to the shortage of specialists by poaching staff from other schools, meeting their own need but leaving the secondary system no better off nationally. Individual schools have no capacity to send signals to potential trainees. The capacity of some schools to offer more favourable employment or working conditions has tended to drain experienced and well-qualified staff away from low-decile or rural schools and into higher-decile or urban ones, but does not expand the pool of potential teachers. In the absence of a coordinated response – a national programme of recruitment and a monitoring of supply pressures – some schools barely registered the lack of specialist teachers, while others were forced to cut back on programmes or use teachers who were either unqualified in the subject they were teaching and or untrained.

¹⁶ For VLN, see [http://cms.steo.govt.nz/eLearning/Projects/Virtual+Learning+Network+\(VLN\).htm](http://cms.steo.govt.nz/eLearning/Projects/Virtual+Learning+Network+(VLN).htm). For many of the smaller, rural secondary schools in New Zealand, the challenge of providing a sufficiently broad range of curriculum options for students at the senior level of the school cannot be met within existing, local resources. Since 1994 an increasing number of schools across the country have worked together to establish clusters linked by audio or video conference networks, allowing a teacher in one school to teach a 'class' comprising students in one or several of the other schools in the cluster.

¹⁷ For example, the ministry's efforts to relocate RTLBs (Resource Teachers Learning and Behaviour) to accommodate population growth has proved fraught because the ministry is not the employer, individual boards are. Employees cannot easily be shifted to a new employer without triggering redundancies.

¹⁸ V M J Robinson, H S Timperley, & T Bullard, *Strengthening Education in Mangere and Otara: Second Evaluation Report*, Wellington: Ministry of Education, Research Division, 2000

Only a coordinated national response, including strong pay signals within a national collective agreement, can hope to address nationwide secondary teacher shortages. Yet for a time the Ministry of Education did not bother to keep data on teacher supply because employment was deemed to be an individual school matter.

The current structures encourage competition, parochialism and mistrust, yet successful education in the 21st century is likely to require greater collaboration among schools, government agencies, ministries and departments and other educational institutions in order to maximise the available opportunities for students.¹⁹

3.4 Democracy and Fairness

One of the strongest arguments for Tomorrow's Schools was the persuasive view that active parental involvement in schools would enhance democratic participation. Experience suggests that this has been true only to a very limited extent; the reality is that most parents don't want to be involved, few elections are contested and, in contrast to the Edmonton system, there is restricted capacity for other members of the community to be involved. More concerning is that some communities find it difficult to find sufficient volunteers for an effective board of trustees while others have the numbers but not the expertise. There is no doubt that the model works best for schools that serve wealthy, relatively homogenous communities, or for schools that are able to get their issues into the media and by that route receive favoured treatment. In all cases, though, success for a few schools comes at a cost to a majority of schools that do not have those particular advantages and could do far better in a system that was more consciously supportive of their needs.

Responses to the recent board of trustees stocktake acknowledged that capacity and capability of trustees was a weakness and that rural, isolated and low-decile schools were most likely to experience difficulty in attracting parents to be trustees.²⁰ The stocktake also noted that high turnover could undermine board sustainability. There is nothing particularly new about these observations; they have been raised as issues since the inception of Tomorrow's Schools. The question is whether it is fair to the thousands of students who attend these schools to continue to treat the problem as if it were a relatively minor matter, solvable by improved access to training and support, rather than as a serious structural failure in the system?

It is no coincidence that the poorest and most isolated communities are the ones where boards struggle the most. Under Tomorrow's Schools there has been a systematic polarisation of schools along ethnic and socioeconomic lines, a result not so much of white flight as of middle-class flight.²¹ As a consequence, these schools enter a "spiral of

¹⁹ See, for example, Secondary Futures publication, *Students First*
http://www.secondaryfutures.co.nz/pdfs/Students_First.pdf

²⁰ NZSTA, *School Governance: Board of Trustees Stocktake*, July 2008, P 23

²¹ See The Smithfield Project, D Hughes et al, *Markets in education: Testing the polarisation thesis. The Smithfield project phase two*, 1996; E Fiske, H Ladd, (2000) *When Schools Compete: A Cautionary Tale*, Brookings Institute Press, Washington DC, 2000. One of the mechanisms for achieving this outcome is via suspensions. Parents on boards of trustees have shown themselves to be much less tolerant of disruptive

decline”, with falling student rolls, reduced funding, problems in recruiting and retaining staff and constraints on the capacity of the school to deliver the curriculum. In many other educational systems in the world, this would be regarded as totally unacceptable and addressed as a matter of urgency. In New Zealand, so-called “failing schools” are accepted as the unacknowledged concomitant of “successful schools” and may even be viewed as evidence that the market is working. So while there may be much hand-wringing about the “long tail of underachievement”, there is no political will to do anything serious about it.

If anything, these students are likely to be even further marginalised in the future, as their access to free State education is being comprehensively undermined not just by the Tomorrow’s Schools structures but also by the unfettered operation of the Private Schools Conditional Integration Act. This Act was passed in 1975 to manage the transfer of the collapsing Catholic school system into the State system, but has been used over the last decade to enable private schools to transfer their teacher salaries and operating costs to the taxpayer while still charging attendance dues and mandatory “donations”. The Act also provides students with taxpayer-funded buses for travel to the nearest integrated school. Theoretically, students are selected to attend the school if they meet certain religious requirements, but it is clear that in many schools the “special character” is used in conjunction with the charges to restrict entry to the children of the privileged. State schools, of course, are not legally permitted to cherry-pick students, are seriously restricted in what they can charge parents and cannot provide free transport except to isolated schools.

By these means New Zealand is creating a distinctly two-tiered system of schooling, with quality provision increasingly dependent on the capacity of parents to pay. We may be facing a future in which those who can afford to pay a top-up will have multiple taxpayer-funded choices, while those parents who can afford only to send their children to the nearest school will have to accept declining quality and possibly closure of their neighbourhood school.

4. Cost

Devolving governance and management responsibilities to 2469 boards of trustees means that wastefulness and duplication is hard-wired into the system. New Zealanders are increasingly critical of the expense of operating 17 district health boards when many of their functions could be shared, thus saving money and time, but rarely are similar criticisms raised in relation to schools. It may be that, because board members are unpaid volunteers, an assumption is made that it is legitimate to waste their time.

In contrast, the paid members of boards of trustees – principals – do seem to object to having their time wasted. Recent research into principals’ state of well-being, undertaken by the New Zealand Principals’ Federation, noted that:

behaviour than the professionals so a practice has developed whereby challenging students are shuffled out of high-decile schools and left to work their way down the pack.

the main stressors for principals stemmed from balancing the teaching and managing aspects of their role, paperwork and . . . principals thought they spent more time on management rather than leadership . . . Principals of small schools, and rural schools and also those whose rolls were fluctuating or declining, and to a lesser extent low socio-economic decile schools, were more likely to find aspects of their role stressful.²²

The obvious answer, consolidation of elements of management and administration in very small schools, is unfortunately a no go area in New Zealand. The only acceptable response is apparently to propose more training and support for boards and principals. The board stocktake, for example, proposed that there be a greatly expanded range of compulsory training for all board members, possibly leading to a qualification, and access to more mentoring and professional expertise. Trying to address deficiencies in the system by ongoing basic training for board members, when half are replaced at each board of trustees election, represents an Augean exercise of considerable cost. This is especially the case when the solution involves the establishment of another layer of consultants, trainers, financial and human resources experts, statutory managers and other consultants, all of whom charge substantially more for their services than a standard public servant; meanwhile, questions about the viability of the structure continue to be met with denial.

Many of these schools should simply not be trying to operate independently, but should be part of a regional network with shared access to specific support. Cathy Wylie goes further, and proposes a single district employment authority for principals, which would ensure continual knowledge-sharing and -building.²³

Wastage occurs not just in respect of personnel; there is also uncontrolled duplication of buildings and facilities. Instead of sharing resources and developing expertise in a specific area (say, special education, music or outdoor education) the system encourages the practice of schools endeavouring to outdo each other in identical areas. The proponents of Tomorrow's Schools saw this as efficient business practice when, in reality, two outlets of the same company operating in one town would normally seek synergies so they could both benefit from advertising, marketing and branding strategies, rather than seek to cut each other out of business. In the end, the latter approach does not reflect sound practice in either education or business.

Most problematic is the parochialism that Tomorrow's Schools has engendered. New Zealand has more than double the number of schools than Victoria for a similar number of students, but it is now politically impossible to generate sensible discussion about rationalisation. Instead, the Integration Act and sections 155 and 156 of the Education Act are being constantly pressed into service to create new schools that serve either a distinct Maori community or a select religious group. The capacity for 21 parents to opt out and

²² Cathy Wylie, E Hodgen, *Stress and Well-being among New Zealand Principals: Report to the New Zealand Principals' Federation*, NZCER (July 2008)

²³ Cathy Wylie, *What Can New Zealand Learn from Edmonton?* NZCER, 2007, p 25

establish a new school was a key plank in the Administering for Excellence vision, because it was felt that this would result in better performance from existing schools. What wasn't considered was that the creation of multiple small schools militates against economies of scale and requires constant expansion in Vote Education for few learning gains. Large schools have economy of scale savings – a school of 800 costs less to operate than two schools of 400 in terms of both the operational grant and the staffing costs (because base costs are replicated), as well as lower overall plant, property and maintenance costs.

The pie is being cut into smaller and smaller pieces, and each individual school can expect less and less funding every year. This can lead only to an overall decline in the quality of State education or pressure on parents to pick up more and more of the costs.

5. Conclusion

The justification for the sweeping changes made in 1989, in the words of Brian Picot, was the mismatch between “good people” and a “bad system”. The question that must be asked now is whether the Pandora's Box that he opened has resulted in a better system, or in a better system but only for some.

It is certainly better for a tiny minority of parents, for whom the State now pays for what is, essentially, elite and selective private education for their children in integrated schools. Whether that is something New Zealanders should celebrate is less certain. In *The World is Flat*, Thomas L Friedman predicts a grim future for the United States because the education system is not set up to deal with the realities of a global job market. He notes that:

Americans have always wanted and expected their public schools to be the agent of social mobility, the principal means by which poor people can lift themselves up by their bootstraps to grab the American brass ring. But that is no longer the reality because of funding disparities.²⁴

He puts responsibility for that situation firmly on an administrative system that delegates power and responsibility for education to local school boards, thus ensuring that wealthy districts capture most of the resources. He notes that, in a global world, “a poorly staffed and funded high school is a pathway to a dead end”.

The future is collaborative, yet New Zealanders seem content to believe that a system based on competition and self-interest and designed to serve the needs of a vocal and wealthy minority rather than the national interest is acceptable. There is considerable evidence for the proposition that 21st century education will not be about isolated and competing units, but multi-campus, collaborative learning, facilitated by ICT.

²⁴ Thomas Friedman, *The World is Flat: The Globalized World in the Twenty-First Century*, Penguin Group, Australia, 2006, pp 345–347

And the time to get it right is limited. Most New Zealand secondary schools have been protected from the real risks inherent in self-management in an under-resourced environment by a long period of stable and rising rolls. It is easier to get away with marginal decisions when the income and the staffing is stable or increasing from year to year. Closing in over the next few decades is the new reality of declining rolls for most of the country's schools. This will bring with it falling staff numbers and steadily declining operations funding. The scene is set for either more intense competition, more "failing schools" and a fall in the quality of education provision, or for a new approach that frees schools from the legislative and ideological straitjacket they are currently in and empowers them to share resourcing, staffing and experience in the best interests of students.

Recommendations

1. That the report be received.

2. That PPTA commission an independent review of Tomorrow's Schools, with a focus on the following aspects:
 - student achievement
 - fairness and equity
 - effectiveness of devolved administration
 - effective use of State resources
 - duplication of resources
 - school innovation
 - incentives to cooperative behaviour
 - the ability to meet national objectives
 - democratic participation.

- 3 That the review be asked to recommend changes to address any deficits identified.