

The Australia Institute

Research that matters.

TITLE: The realities of school vouchers

AUTHOR: Andrew Macintosh

PUBLICATION: OnLine Opinion

PUBLICATION DATE: 22/08/06

LINK: <http://www.tai.org.au/?q=node/9&pubid=109>

For several years right wing think tanks in the US and Australia have been pushing school vouchers. There now appears to be growing support for such a scheme in both the Coalition and certain sections of the Labor Party. But while advocates make bold statements about the virtues of voucher schemes, the evidence suggests these would do little to improve overall academic outcomes and could even lower standards in disadvantaged schools.

Under a voucher scheme, government funding would be provided on a per student basis to the school of parents' choice, whether public or private. The amount given to each student could be the same (flat-rate vouchers) or could vary (differentiated vouchers). Vouchers could also be confined to particular students (targeted vouchers).

Although there are differences of opinion, most advocates want a universal scheme to replace all federal and state funding mechanisms with either a flat-rate or a differentiated voucher.

The theory is that by promoting competition between schools and giving them greater autonomy, vouchers will improve teaching standards and academic outcomes. Vouchers may also provide parents with more choice, leading to greater parental satisfaction and involvement in education.

The theory is attractive, but the evidence indicates that in practice the education benefits do not materialise. The only clear benefit is greater parental choice, yet this may extend to middle and high income earners alone.

Jennifer Buckingham, from the right wing Centre for Independent Studies, claims these findings are astounding and that it is difficult "not to be persuaded" by the evidence on vouchers. It is fair to say that the most fervent advocates tend to look only at evidence that supports their position. Pro-voucher campaigns throughout the world have followed a predictable format: denigrate public schools, blame the apparent flaws on unions and bureaucrats, and then selectively use evidence to support the introduction of vouchers. Australia's advocates have stuck to the script.

Buckingham and others rely heavily on a small collection of studies on targeted voucher schemes in the US that found minor improvements in academic outcomes for disadvantaged students who were given vouchers to attend private schools.

The problem with many of these studies is that they were prepared by devout voucher supporters using questionable research techniques.

For example, Buckingham cites work by “prolific education researcher” Jay Greene to support her case. Yet Greene’s study of a Milwaukee program was described by the lead author of the official research on the initiative as “a confused, tortured effort to try to find any evidence that students enrolled in private schools ... do better than any students in the Milwaukee Public Schools”.

Similarly, the United States General Accounting Office excluded research by Greene and other pro-voucher supporters on a Cleveland program from its analysis of voucher effects because the studies failed to meet the Office’s research standards.

Even if these studies are accepted at face value, an objective evaluation of all the available evidence (rather than selected snippets that suit certain agendas) indicates the US voucher schemes have not produced significant improvements in academic outcomes.

These findings are backed by evidence from Chile, which has had a universal voucher scheme since the early 1980s. While there has been some variation in the research results, any fair reading of the evidence indicates that the scheme has not significantly increased average academic outcomes and may have contributed to greater educational inequality.

Martin Carnoy, professor of education and economics at Stanford University and a leading expert on the Chilean experience, encapsulates it thus: “Chile’s voucher plan appears to have widened the gap between high- and low-income students in terms of test scores without increasing the overall level of academic achievement.”

It is unclear why voucher schemes have failed to produce better results. But irrespective of the cause, a balanced appraisal of the available data indicates that vouchers do not produce the academic benefits claimed by the proponents of choice. Worse still, any viable universal voucher scheme would cost taxpayers several billion dollars more than the current funding system and would risk harming disadvantaged students.

The threat to these students arises from the potential of vouchers to widen the gap in resources between wealthy and poor schools. There is also the risk they would trigger greater segregation on the basis of academic ability and socio-economic status.

Buckingham claims the US evidence shows that vouchers lead to “less segregation”, but she fails to mention that most of the schemes are designed to take disadvantaged students from poor public schools to private schools. It is obvious that under such schemes segregation on the basis of socio-economic status declines. But the same is not true of universal schemes.

As the evidence from Chile indicates, under a universal voucher scheme private and selective public schools may cream off the most talented students, and parents with

higher incomes may use the additional funding provided by the voucher to shift their children from public to private schools, or from poor private schools to wealthier ones.

The end result could be a hierarchy of schools in which disadvantaged students are concentrated in under-resourced public and private schools. Because peers influence individual student results, the increase in segregation could drag down average results and increase the inequality in education outcomes.

Vouchers are not the solution to Australia's schooling challenges. Greater hope lies in redistributing resources to disadvantaged schools where they would generate higher educational returns. There also needs to be greater flexibility in pay rates in order to attract the best teachers to the areas of greatest need.