

Re-assessing Karmel : Results of the 1973 Education Settlement

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THE KARMEL SETTLEMENT

The Report of the Interim Committee for the Schools Commission (The Karmel Report May 1973), and the policy decisions flowing from its acceptance by the ALP Federal Government, represented a major political settlement. The settlement followed a decade of intense conflict concerning State financing of private schools, and widespread demands for an upgrading of the Commonwealth role in education. Labor harnessed the various education lobbies on the road to power, pledging to renovate the schools, to abolish the State Aid debate and to create "equality of opportunity" through education.

On the one hand the Karmel settlement was able to achieve a temporary rapport between the public and private sectors of schooling, through funding increases all round and through the establishment of a new administrative framework that reduced the differences between the sectors to economic ones and suppressed from view the social conflicts between them. This was the primary aspect of the settlement and is the main focus of this paper. On the other hand the settlement integrated part of the radical education movement into the State. Karmel offered an emphathetic (although ambiguous) ideology, a limited decentralisation of decisions and responsibilities and new mechanisms for the funding of educational innovations.

The settlement was accompanied by quantitative material expansion and extensive modernisations. Yet the stated central purpose of greater educational equality was not achieved. Quantitative material expansion was a necessary but not sufficient condition of qualitative social change in the education sector. The Karmel Report failed to go to the roots of inequalities in schooling, and insomuch as it sought to create a stable settlement between established forces it ensured that such roots could not be reached. Indeed, the Karmel settlement can be shown to have exacerbated inequalities in education. The Karmel experience illustrates that at the level of society as a whole, the pursuit of equality and the pursuit of consensus are incompatible.

At first the Karmel settlement was a pronounced political success. Three years later in 1976 an OECD team reviewing Australia's education policy was moved to remark: "Criticism of the non-government sector and of the public subsidy to institutions in this sector appeared to us remarkably muted."¹ But in the end, the very settlement itself became undermined by the conflicts it had tried to suppress and by its own failure to resolve them or to provide a framework for doing so. External political events - the recession, the end to growth in education spending, the Fraser Government's one-sided seizure of selective parts of the Karmel settlement - determined that the breakup of the settlement was quicker and sharper than it might otherwise have been.

It may be that education reform and social transformation are once again on the agenda. One pre-condition of the development of new policies towards greater equality in education is to recognise the Karmel settlement's limits and the limitations it imposed. These will be examined with emphasis on the Report's construction of the relationship between public and private sectors.

THE RELATIONSHIP BETWEEN PUBLIC AND PRIVATE SECTORS OF SCHOOLING

The Karmel Report did not develop an understanding of the dynamics of the dual system of schooling that operates in Australia. It contained no analysis of the social role of public schooling and of private schooling in its various forms, and no overt analysis of the relations between the sectors - although these relations are central to the problem of equality of outcomes in schooling.² This very silence is itself significant and indicates the Report's determined consensus. But the Report was based on certain covert assumptions about the relations between the sectors, and was a primary determinant in governing the future development of those relations.

The key lies in the particular political nature of the settlement between the sectors. The chief attraction of the settlement to most parties was the all-round increase in schools funds, due to the expansion in the size of the material education 'cake' coincident with the Karmel Report. Immediate economic gains are easily identifiable and tend to dominate the education debate at any time. In 1973 these proposed gains enabled all schools (apart from the elite private schools)³ to receive an absolute improvement in their material position. This enabled the relevant interest groups to set aside consideration of a less immediately visible (but ultimately more important) aspect - the impact of the settlement on their relative social position.

It was necessary to establish a formula to distribute these benefits in a matter which would be accepted as both rational and egalitarian. Such a formula would need to be operable over a period of several years at least, and would necessarily exclude the elite private schools which were an anti-Labor constituency that was to be denied direct Commonwealth aid. Here the political need was to fashion the formula in such a way that they would be excluded from direct economic rewards, without disturbing their normal social operation and thereby more deeply rupturing the politic.

The product of these imperatives was a formula which by itself constituted a narrow and economic solution. It defined the problem of equality in solely material terms, but even on the material plane it constructed explicit limits around what could be achieved. The chief significance of the Report was in its "drawing together of the public and private sectors" (Page 13) in a common administrative framework that suppressed from view the fundamental differences in the social role of the sectors. The main feature of this framework was that, as Patricia Davey has stated: "The method used by the Committee for assessing the needs of the private schools for recurrent grants was the same as that used for the government sector."⁴ Description of all schools in both sectors was reduced to the quantity of their economic resources as measured by selected dollar inputs, modified for the purpose of small additional grants to some schools by an index of socio-economic disadvantage. The Report then established common resource targets across the sectors.⁵ These targets were to be obtained

over the course of the decade; the public school and non-elite private school constituencies were thereby locked into the settlement by the promise of successive annual incremental increases in real funding levels. The elite private schools that had already achieved the targets were to be excluded from Commonwealth funding and left to their own devices.

FAILURE TO EFFECTIVELY TACKLE INEQUALITIES

For practical purposes 'equality' in students' education chances was primarily to be achieved through the progressive 'equalisation' of certain specified economic resources in the majority of schools, rather than through any modification of the social roles of schools in the different sectors - other than modifications arising incidentally as a result of resource 'equalisation'. Rather than a small part of a policy of equality,⁶ selected resource increases had become the whole of that policy.⁷

By narrowing the definition and application of equality, the Report rendered it impossible to achieve. As the Keynesian R.B. Scotton has written: "If it is conceded that rights to specific goods and services are legitimate objects of social policy, it follows directly that the content of policy analysis goes beyond distribution and intrudes into allocative issues. Conditions governing access to education, health and welfare services and housing cannot be divorced from the conditions under which they are produced and marketed."⁸

The resulting deficiencies of approach were manifest on both the economic and the social planes. Economically, the resource accounting suffered first of all from the omission of significant private school resources (e.g. assets, the use of Church property, and undeclared private income) that led to an understatement of their material position. More fundamentally, the Report in the main ignored its own dictum that "more equal outcomes from schooling require unequal treatment of children" (p. 22). The overall targets did not adopt a positive discrimination approach. While the Disadvantaged Schools Programme did so, that Programme was tokenistic and thus served to displace the tendency to reform, rather than concentrate it. As the authors of Making the Difference have said: "Programmes like the Disadvantaged Schools Programme were small and weak when they began and have not become any stronger."⁹ Recommended 1974 and 1975 Disadvantaged Programme grants were only 9.5 per cent of all recommended grants for these two years (Report, p. 143).

Yet the education-material position of all school students is not only determined by the schools' resources, but by those of the home as well, such as cultural assets and parental capacity to provide life support during the years of schooling. Nothing less than full living allowances to upper secondary students from non-wealthy families could equalise life support potential, albeit only at that late stage of schooling.

For the Karmel Report, the economic implications of the real material differences in society should have been taken into account in all funding measures, in a broader range of financial measures and radically divergent resource targets, varying in relation to class-sectoral and individual socio-economic factors. By limiting its central concern to school-provided resource equality (while tolerating higher resources for the elite) the Report could at

best only slightly narrow the material differences, confirm the existing pecking order with the elite schools and their clients on top, and consign positive discrimination to the margins of policy.

SECTORAL STREAMING

The fatal error was the failure to address the broader social determinants of educational inequality, including the social forces at the base of the private school sectors. The Report did not acknowledge the role of the elite private schools in producing and reproducing social and educational dominance. Nor did it concede the implications, for an egalitarian project, of private control over key parts of the schooling system. Although it noted in passing that there were observable relations between the socio-economic origin of students, their school sectoral locations and their length of years of schooling (Report, pp.18, 19), it did not effectively integrate these understandings into its policy. The Report proposed nothing to modify the inequalities deriving from sectoral streaming and left untouched the role and power of the private schools.

Yet the Karmel Committee would have been informed by the then Commonwealth Bureau of Census and Statistics figures on the sectoral location of students in 1971, which showed that although 78.2 per cent of all school students attended public schools, only 65.3 per cent of Year 12 students were in public schools. The proportion of Year 12 enrolments held by the non-Catholic private schools was 15.8 per cent although they educated only 4.1 per cent of students over all.¹⁰

Other data then available showed that the sway of the elite schools in the distribution of the rewards of schooling went further : a still greater disproportion in the distribution of university places, elite school dominance of prizes such as Commonwealth Scholarships and higher HSC scores, and elite school dominance in entrance to the elite faculties such as medicine and law. A deeper analysis would have demonstrated that as well as dominating the distribution of the rewards, the elite private schools helped to define the rewards, and the extent of their limitation, through their role on HSC-related curriculum and assessment committees, and their interaction with the universities.

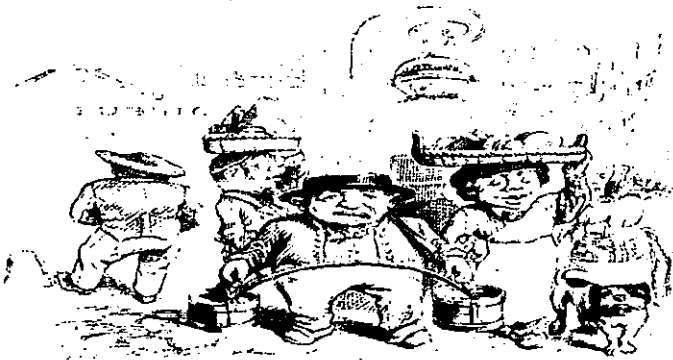
With its own collected data on recurrent resource levels, the Karmel Committee must have known that the relative material privileges of the elite schools would have been little impacted by the Report's decision to phase out Commonwealth funds to those schools, and that their broader social role would not be at all affected. Thus the Report left this whole apparatus of sectoral privilege and domination untouched and even unquestioned. It was therefore silent on the central means by which social and education inequality are reproduced through the education system.

By including the elite private schools within its administrative consensus, the Karmel Report legitimised their operation and sanctified the unequal and unequalising contest for scarce education rewards. The operation of the elite schools was doubly disguised, by placing them alongside both the poor private schools and the public school sector. Through reducing its representation of all schools to a common numerical resource measurement, the Report established a framework in which the material privileges of the elite schools could appear to be socially 'neutral' and both within the reach of all



schools, and worthy of emulation by all schools: "The Committee ... appreciates the high standard which some non-government schools have reached often after years of effort. Ideally, the Committee would like to see all schools raised to this high standard" (p. 12).11

In the face of the social functions of the elite private schools, public schools found themselves forced to continue to compete on grounds that were chosen and controlled by their opponents. Such competitiveness is not inherent in public schooling as schooling, but arises from the combination of scarce rewards and a vigorous elite school system which has a vested interest in maintaining its privileges, and dominates the rewards distributed within the dual system of schooling. The elite schools depend on the existence of a relatively unsuccessful public system for their own raison d'etre. Otherwise they cannot function as an elite. Disadvantage is the necessary obverse of privilege; one cannot be removed without the other.



The Catholic education system was materially strengthened and politically legitimised by the Karmel settlement. The settlement rescued it from a severe material crisis and provided it with the prospect of certain future growth. Its power over enrolments and curriculum, guaranteeing its continued homogeneity and right to exclude, were

re-affirmed through the Report's silence on non-resource issues and its decision to confirm the then existing role of the Catholic Church. The new Catholic Education Offices developed a strong bureaucratic dynamic that was to help protect the growth of the Catholic system while maintaining its internal inequalities. The Catholic Education Offices also strengthened the autonomy of the systemic authorities, while sowing the seeds of a longer term conflict between the Church and the semi-secular bureaucracy.

The underwriting of Catholic education's various and conflicting social projects had further consequences for equality in education that were not

acknowledged in the Report. The most traditional of these projects, a primary orientation to religious purposes, is consistent with an acceptance (even endorsement) of inequalities, as the previous history of Catholic education showed. The emerging alternate primary orientation - to the educational and social advancement of the whole Catholic community - was inherently competitive. In effect it aimed to enhance inequality, through upward mobility at the expense of non-Catholics.

It is hollow to attempt to immunise the Catholic system from this criticism by arguing that it is 'working class'. As a system it is defined by the (non-working class) Catholic Church that controls it, rather than the socio-economic composition of the student body. To argue otherwise is to fall into the trap of concluding that we have a 'working class' army and police force, and 'working class' manufacturing corporations as well - after all, the mass base of these institutions also has a working class character. Further, the Catholic schools exclude most of the 'unfaithful' members of the working class. Their orientation to competitive upward mobility is highly divisive within the working class; while the rewards of education remains scarce and unequal, such advancement can only occur at the overall expense of those working class students who remain in public schools.¹²

The Karmel Report's commitment to Catholic education thus meant the promotion of a social group which in large part was not socially elite, but in family income terms was measurably more advantaged than society as a whole¹³ and aimed to increase its relative advantage. A recent 'Pastoral Letter' from the Victorian Catholic Bishops claims success in this aim:

"The Catholic community has every reason to be proud of the achievement of its schools. Over the last fifty years Catholic teachers, both religious and lay, have enabled huge numbers of their students to achieve a degree of social mobility which has not been bettered anywhere in the Western world. The vitality of ethnic communities in Catholic schools is special proof that this work is continuing."¹⁴

INDUCED PRIVATE SECTOR EXPANSION

In addition to confirming the role of the elite private schools and strengthening the Catholic sector, the Karmel settlement laid the basis for the continued development of the private sector as a whole at the expense of public schools.

The common resource targets guaranteed that a more than proportionate share of Commonwealth funds would go to the private schools, because most private schools had measured resource levels below those of the public sector (p. 73). The gap in relative 'needs' was to widen progressively through the replacement of contributed services by Government funds, sanctioned by Karmel (p. 73), the Report's unwillingness to take firm preventive measures against the substitution of Government funds for private efforts and its decision to deliberately foster an increase in Catholic school enrolments to the levels of 1972 (p. 68). Significantly, the settlement endorsed the achievement of this last target through funded new private schools, using "pupil demand, existing availability of pupil places, seriousness of purpose of the sponsors

and overall viability" as the "basic criteria" for the funding of new schools (p. 78). The expansionary genie was released. The tolerance of the substitution of Government funds for other sources, and the promotion of private sector expansion, created a mathematical certainty that into the future there would be a continual rise in the proportion of the total Commonwealth school funds that went to the private sector.

PRIVATISATION AND INEQUALITIES

Thus the Karmel settlement set in train several effects that were profoundly regressive, in conflict with its concern for equality, and in conflict with the educational aims of the Labor Party.

The benefits of additional resources to public schools were counter-balanced by the effects of additional (and eventually, greater) resources to private schools; resources that enabled the private schools to compete more effectively for scarce educational outcomes. The effects of the small additional grants to schools found to be socio-economically disadvantaged were cancelled out by the political strengthening - under a social democratic regime - of the schools dedicated to the maintenance and monopolization of privilege. The progressive socio-economic potential of Labor's reforms to tertiary student financing and the expansion of participation in universities and colleges of advanced education was negated by the continued private school domination of HSC and entrance to higher education. The funding of school-community initiatives in working class zones was undermined by the Report's identification of government-funded new schools in the private sector as a key mechanism of educational innovation (p. 12). Most significantly, the Report is the key point in a shift in the relations between the sectors. The public sector traded an immediate improvement in its absolute material position for a longer term decline in its relative social position. Eventually this decline showed itself in a decline in the relative material position of the public sector as well.

Although State Aid pre-dates Karmel and although the rate of decline certainly quickened under Fraser and under the impact of the recession, it is important to recognise that whatever else its benefits, the Karmel settlement instigated this relative decline in the position of the public schools. Economically the settlement ensured a continuous future expansion in the proportion of Commonwealth funds going to the private sector, whatever the absolute level of the total education 'cake'. This meant that the public sector would be particularly and increasingly disadvantaged when the 'cake' stopped growing. Socially it provided the basis for a subsequent transfer of enrolments, and transfer of aspirations to upward mobility, from public to private sectors; by legitimating private education on a broader basis, by specifically renovating many Catholic schools, and by establishing an administrative consensus on the development of new private schools and private sector educational innovations. Politically the consensual settlement effectively co-opted or disarmed those in public schooling who were later to oppose its implications.

Following the pre-1973 period of relative expansion of public schooling, the public sector's overall share of secondary school enrolments peaked at

75.9 per cent in 1975/1976 and thereafter declined. The primary school enrolment peak of 80.8 per cent occurred in 1977/1978. It takes several years before an enrolment transfer at an originating year level (e.g. Year 1 or Years 7/8) shows itself in an overall shift in the aggregate statistics for all years. Notwithstanding the difficulties in identifying enrolment transfers,¹⁵ the Schools Commission was undoubtedly right when it said in 1981:

"The funding policies for non-government schools followed by successive Commonwealth Governments since 1973 (and by State Governments over the same period) have contributed to halting the decline in the private sector's capacity to maintain its traditional proportion of enrolments."¹⁶

FRASER'S CONTINUATION OF THE SETTLEMENT

After Labor's exit in 1975 there was no decisive Governmental break with the Karmel settlement. The Coalition was careful to maintain the outward forms of the consensus, although the more one-sided emphasis in Fraser's policy hastened the collapse of the settlement as a political agreement.

The successive Fraser Governments were less concerned than was the Karmel Report about equality as a goal¹⁷ and believed that the elite schools should be publically funded as well as publically tolerated. But the other differences were differences of degree only. Both Karmel and Fraser took the same attitude in principle to the public funding of any and every private educational purpose; the difference lay in the range and impact of the expansionary funding measures sponsored. Hence in the privatisation of school resources and enrolments there was a direct continuity of policy. In the context of the 1974-75 recession, the rise of the 'new right' and Fraser's assumption of power, the Karmel formulae had consequences for public schools that should have been foreseen. If the attacks on standards, discipline and industrial militancy were partly a reflection of the crisis of social democratic politics, these attacks were nonetheless able to be translated into parent choices through the structures set up by the very social democratic settlement itself.

Hence the Fraser Government was able to achieve its aims by confining itself to exploring the limits of the settlement's structures, an advantageous strategic position for that Government. There was an unbroken continuity in its tolerance of private sector expansion, its tolerance of the progressive substitution of Government grants for private resources and its unwillingness to closely supervise the accounting or educational practices of private schools.¹⁸ Where it innovated, the Fraser Government did so by extending the logic of parts of the settlement. It increased the percentage of private schools receiving the maximum Commonwealth grant and increased the proportion of the costs of expansion that were borne by the Government. Specific election promises in 1977 and 1980 produced sizeable further real increases in private school funds. In 1976 it re-introduced the system of 'automatic linkage' operating in 1972, whereby rises in public school costs were automatically passed on to all private schools. This move was consistent with the 1973 decision to treat the sectors alike for funding measurement purposes. However, extra increases in private school grants did not flow back in the reverse

direction - producing a further continuous automatic shift in funds between public and private sectors and therefore amplifying the automatic shifts already taking place as a result of the Karmel policy. Thus the overall shift in funds was accelerated by increases in 1977, 1979 and 1981 in the percentage of public schools' costs that was passed on to private schools.

These intertwined effects can be identified most precisely in the level and distribution of Government grants.¹⁹ Here it can be seen that the Karmel settlement was both the high point of the Commonwealth's commitment to public schools, and the beginning of their relative (and later, absolute) material decline. Because the Report introduced direct Commonwealth recurrent funding of public schools - one of the reasons for its support amongst public sector interest groups - its recommendations involved \$396.5 million (620 per cent) more in 1974 and 1975 than public schools would have received under the previous Liberal-National Party programmes. By contrast, the private schools were recommended only \$50.2 million (39 per cent more) over these two years. Had the previous Coalition commitments continued unchanged in 1974 and 1975, public schools with 78.5 per cent of enrolments would have received 33 per cent of all Commonwealth funds. Instead the Karmel Report recommended that they receive 72 per cent (Report, pp. 141-2). Clearly public schools were the greatest immediate beneficiaries of the Karmel settlement.

In the first full year of Karmel funding (1974-75) their share was actually 68 per cent.²⁰ Thereafter it declines. It was 67 per cent in the last Labor Budget (1975-76), 65 per cent in 1976-77 and fell annually to bottom out at 47 per cent in 1982-83. More importantly, the public schools' overall share of the combined State and Commonwealth school outlay fell from 91 per cent in 1973-74, and again 91 per cent in 1975-76, to 88 per cent in 1980-81 and perhaps 86 or 85 per cent today.²¹

THE COLLAPSE OF THE CONSENSUS

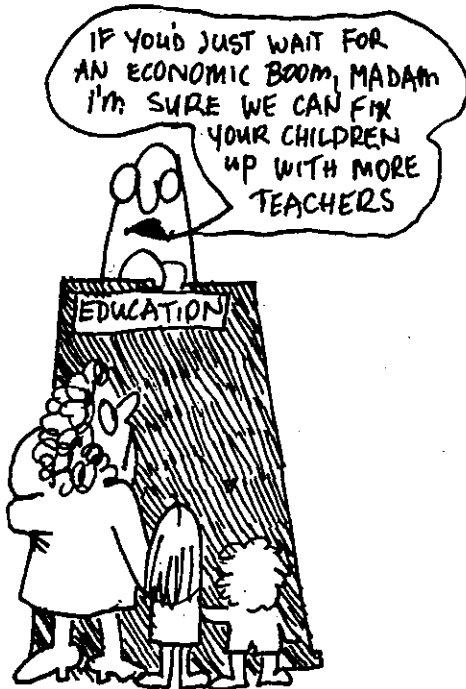
Built into the Karmel settlement were two fundamental structural limits. These took the form of 'self-destruct' mechanisms whereby the underlying conflicts that had been suppressed by the settlement inevitably had to re-assert themselves at some point. The all important timing was determined by the particular policies pursued within the framework of the settlement, in the light of external economic imperatives and the political factors governing the response of the settlement's participants.

The first of these 'self-destruct' mechanisms was the shift in resources and social role from public to private sector that was inherent in the settlement's mechanisms. Eventually the resulting growing imbalance had to result in a major shift in the political balance as well, causing the collapse of the consensus settlement and a renewed round of conflict. This can be characterised as an 'endogenous' collapse, solely from 'within' the settlement.

Secondly, the main political device of the settlement - continued all-round funding increases from an ever-expanding education 'cake' - could not be indefinitely maintained, especially during a period of deepening recession and expenditure restraint. The crunch would come when the 'cake' ceased to grow sufficiently to permit continued resources increases in both sectors. At that

point the dynamic of relative growth in private sector financing meant that every new private sector dollar was directly and visibly at the expense of the public schools, causing the collapse of consent for the settlement. This can be characterised as a collapse from 'without' the settlement as well as 'within', with the external economic factor acting on the internal tendencies that were already in train.

Malcolm Fraser's achievement was to ensure the collapse of the settlement earlier than would have occurred under Labor. Although anxiety was growing amongst public school supporters about the financial and institutional growth of the private sector (an anxiety that was already renewing the funding debate from 'within'), the triggering element in the collapse was external; the end of resource growth in the public sector at the end of the 1970s.



Given the impact of the recession of 1974-1975 on the Fraser Government's economic policies, this point was nonetheless reached relatively late.²² Although public school capital works were choked off after 1975, the process of universal staffing improvements continued up to the end of the decade, facilitated by the continued application of the Whitlam tax-sharing formula's system of grants to the States. Thus while the specifically Commonwealth 'cake' stopped growing and the Commonwealth's direct allocations to public schools fell by \$118.8 million (19 per cent) in real terms between 1977-78 and 1980-81 (December 1982 prices), the continued rise in State Government's allocations to public schools more than compensated. However, from 1979-80 the Commonwealth reduced the flow of State funds to public schools as a consequence of its alterations to the tax sharing arrange-

ments between the Commonwealth and the States. Total general purpose payments to the States, the Northern Territory and local government fell by 1.5 per cent in real terms in 1979-80 and overall education spending by all governments fell by 2.4 per cent in real terms in the same year.²³

The effects were immediate. From 1980 onwards there are instances of annual increases in pupil-teacher ratios in over half the public education systems of Australia.²⁴ Between 1979 and 1981 (the latest year for which figures are available) the number of public school teachers in Australia fell by nearly 700 while the number of private school teachers rose by over 3,200 (Staffing improvements were most rapid in Catholic schools.)²⁵ In some states actual real reductions in funds for public schools took place, on top of the effects of Commonwealth cutbacks. This squeeze on the public schools triggered the immediate political collapse of the settlement.²⁶ The parent and teacher Commissioners on the Schools Commission prepared a minority report in 1981 and

in January 1982, the Australian Teachers' Federation returned to a 'no State Aid' position on education funding. Open mutual conflict broke out between the public and private sectors and was a major election issue in the Federal campaign of February-March 1983, and in the first year of the new ALP Government.

The Karmel settlement did not remove the conflicts over funding. Politically it operated in Keynesian fashion; it succeeded in buying the suppression of those conflicts only for a time, until they returned with equal or greater intensity. They will continue to return until their underlying causes are resolved. The collapse of the settlement allows these deeper issues to be confronted anew. The reconstruction of schooling around the goal of equality would create a new dynamic, undermining privatisation and cutting across the current sterile conflict between the present (unreconstructed) sectors of schooling. But 1984 is not 1973, and the Karmel settlement's regressive impact on educational equality needs to be overcome.

THE LEGACY OF THE KARMEL PERIOD

Despite the aims of some of the individuals on the Karmel Committee and in the Schools Commission, the Karmel period has in the end produced, a downgrading of concern with equality in education, and a widespread commitment to upward individual mobility through private education at the expense of others instead of social improvement through public education in conjunction with all. Economically and politically it leaves behind a rapidly growing non-elite private sector, in the throes of an unprecedented boom, and a powerful group of elite schools, stronger in resources and unchallenged in their perpetuation of social class and educational privilege.

Through the 1970s, retention to the Years 11 and 12 remained stagnant or declined in the public school sector while it gradually increased amongst the private schools. Instead of broadening the role of the public sector as a route to higher education for all, the Karmel period has in the end seen a downgrading of the relative role of public schools at the post-compulsory and HSC stages. With some time lag, this effect has now been transmitted vertically to a downgrading of public schools' role in primary education and the junior secondary years.

After seven years of the Karmel targets and the Disadvantaged Schools Programme, students who were Catholic or otherwise able to enter the private streams had better life chances than before. Whereas in 1971, 65.3 per cent of all HSC students were from public schools, the proportion had fallen slightly to 64.2 per cent in 1980. The proportion of HSC students enrolled in the non-Catholic private schools had slipped a little, from 15.8 per cent to 14.8 per cent, but following the Karmel Committee's renovation of the Catholic sector its share of students had jumped from 18.9 per cent (1971) to 21.0 per cent (1980 - see Table 2). Thus the homogeneous Catholic sector had expanded its role at the expense of open-access and heterogeneous public education, while the very disproportionate HSC role of the non-Catholic private schools had not been substantially altered.

Inequality in university entrance also continued. According to data collected by Clive Williams of Sydney University,²⁷ while in 1980 64.2 per cent of all HSC students were enrolled in public schools, only 58.6 per cent of those who achieved first year university entrance were from public schools. Whereas 14.8 per cent of HSC students were from non-Catholic private schools (the category that includes most elite private schools), 21.6 per cent of students who achieved university entrance were from those schools. Yet those schools educated only 4.8 per cent of school students overall.

Still greater inequalities were maintained and even worsened under the aegis of Karmelism. Anderson and Vervoorn state that in 1972, 42 per cent of Melbourne University entrants whose school background could be identified were from the public schools, and 34 per cent came from the non-Catholic private schools. By 1980 the public proportion had fallen to 39 per cent and the non-Catholic private school proportion had risen to 36 per cent. The Catholic schools' share rose from 23 per cent to 25 per cent. Meanwhile at Monash University, the other large university in Victoria, the public school proportion of identified entrants fell from 57 per cent (1972) to 49 per cent (1980).²⁸

Williams found that in 1980 the non-Catholic private schools provided 28.0 per cent of all first year Law students and 39.1 per cent of all first year Medicine students. At the most elite 'establishment' Universities, they dominated university entrance, e.g. with 41.3 per cent of all first year students at the University of Melbourne and 52.6 per cent of all first year Medical students at that University (see Table 1). Indeed, Melbourne University Medicine had become much more elitist in the 1970s. At the beginning of the decade in 1970, 40 per cent of all first year Medical students had come from non-Catholic private schools and 33 per cent from public schools. But in 1980 the proportions were 53 per cent (non-Catholic private) and 30 per cent (public).²⁹



Will you be staying on at school or going straight into redundancy?

Richard Teese sums up the preservation of the status quo as follows:

"So long as the private schools remained private property, so long as the statutory bodies which regulated access to higher education maintained competitive standards reflecting the origins and advantages of the established users, and so long as the appreciably greater costs of secondary school - which now required public investment - could be met without institutional interference, things could go on as before."³⁰

Karmel encouraged educational and social aspirations but failed to fulfil them. These statistics are eloquent testimony to the barriers that exist, stronger than ever. Any new reform programme based on the goal of equality must be premised on ways of breaking down the barriers.

TOWARDS OVERCOMING THE BARRIERS TO EQUALITY

Following the breakdown of the Karmel settlement it is both possible and necessary to reconstruct our concepts of social transformation in and through the education sector.

While the political and social obstacles remain very significant, education reform is once again on the political agenda. The Federal ALP Government's formal commitments to increasing participation in post-compulsory education and changing the socio-economic 'mix' of higher education institutions provide two useful starting points for raising a reform programme in practice. The lessons of the Karmel period and of previous attempts at social change through education need to be incorporated into such a programme.

Fristly, it is necessary to transform the position of social groups through education, rather than limit the focus to individuals. Strategies based on the equalisation of starting points ('equality of opportunity'), while leaving the system of education broadly unchanged, can at best assist a small number of individual working class students to achieve a measure of upward social mobility, while legitimating the failures of their compatriots. Therefore, the aim should be to realise the cultural and individual development of the bulk of the population that has been excluded from the major benefits of education. This necessitates a political emphasis on equality of outcomes and the reconstruction of the system around this goal. This in turn requires a re-assertion of comprehensive public education and an attack on sectoral streaming.

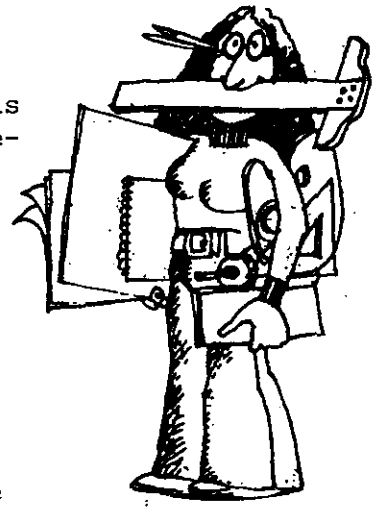
Secondly, the Karmel Report was one-sided in its focus on equality of material inputs, neglecting the need for changes in educational structures, curriculum and profound changes in the locus of power in the education system. An integrated approach to reform is needed. Material improvements are still indispensable; for example, a sizeable expansion in participation (e.g. in higher education) would require a considerably larger funding 'cake'. In working class zones much more pronounced positive discrimination in education funding to schools and student allowances is needed.

Thirdly, programmes, campaigns and policies for greater educational opportunity should operate not in an 'edu-centric' manner but in the framework of broader social policies for the redistribution of incomes, wealth and power. An education reform movement would achieve its maximum within a movement to democratise the public sector.

Within educational institutions the historical aims should be:

- (1) The development of a general, non-specifically vocational curriculum to Year 12 of secondary school. This involves further renovation of staffing, equipment and buildings (particularly in primary schools). It also involves an abandonment of competitive assessment and streaming between the 'academic' and the non-academic, and considerable changes to the traditional curriculum - based as it is on competitive methods, the notion of elites and the exclusion of the majority - but should involve no loss of intellectual rigor.
- (2) An end to the use of the HSC as a streaming device for life chances. The HSC was recently described as "that successor to the IQ, the all-purpose measurer of twelve years of schooling through a single number which provides differential access to the most favoured areas of tertiary education".³¹
- (3) The progressive transformation of the present dual (private/public) system of schooling into a universal public system of education. Such a universal system would also encompass secondary-equivalent TAFE courses and would require the establishment of new financing, curriculum, enrolment and governance practices at the private schools as the basis for their incorporation into a universal public system under full public ownership and control. Most of the traditionally elite private schools and the Catholic Church are likely to resist such developments, posing formidable political obstacles. But unless these interests are confronted not much progress to equality can be achieved. Continued 'needs based' funding of private schools only postpones the problem and in fact strengthens the overall position of private schools within the dual system. While the elite schools naturally resist any decline in their government grants under a 'needs based' system, it must be recognised that even the complete abolition of State Aid to wealthy schools, while necessary, would not be sufficient to undermine their social functions.
- (4) A very considerable expansion of participation in post-secondary education, especially universities and colleges of advanced education and not just a continued growth in TAFE enrolments. Expansion is one of the necessary preconditions of changes in the socio-economic composition of education.³²
- (5) Material improvements as a second basis for equality at post-secondary stage: the development of buildings, equipment and staffing (especially in TAFE), student allowances above subsistence level and the provision of adequate childcare.

- (6) Structural changes to post-secondary institutions: developments towards open access (including large scale positive discrimination) with special emphasis on mature age 'second chance' entry and the enhancement of women's participation in courses of traditional under-representation, e.g. engineering, the technologies and the metal trades. Structural changes ought to lead towards the establishment of a unitary post-secondary system, in which the resources and opportunities provided throughout post-secondary education are available to all enrolled in it.



Specific proposals for reforms should be evaluated in terms of their contribution to the achievement of these overall aims. The movement for reform would also seek the democratisation of education institutions at both system-wide and local levels of operation,³³ as only a democratising system would allow the movement its fullest expression.

NOTES

*An early draft of this paper was circulated by the ATF in May 1983, as part of its Research Papers series. A modified version has been issued in pamphlet form by the Victorian Fabian Society. Nonetheless, the views expressed are not necessarily identical with those of any organisation.

1. Organisation for Economic Co-operation and Development (OECD), Australia: Transition from school to work or further study, Paris, 1977, p. 38.
2. For the social role of the private and public schools and systems see Richard Teese, 'The social function of private schools' in Melbourne Working Papers 3 (1981), University of Melbourne, pp. 94-141, and Richard Teese with the assistance of Stephen Lamb, 'The growth and decline of the Victorian Government Secondary school, 1954-1981', Melbourne Working Papers 4 (1982-83), op.cit., pp. 126-210.
3. Report of the Interim Committee for the Australian Schools Commission, 'Schools in Australia' (The Karmel Report), May 1973, p. 12. Subsequently the Coalition forced amendments to the Schools Commission Act in the Senate that guaranteed continued Commonwealth funding to the elite private schools.
4. Patricia Davey, 'Financing of education' in R.B. Scotton and Helen Ferber (eds.), Public expenditure and social policy in Australia, Volume 1: The Whitlam years 1972-75, Melbourne 1978, p. 57.
5. For the derivation of the recurrent resources index see The Karmel Report op.cit., pp. 56-61. The socio-economic scale for disadvantaged schools is set out in ibid, Appendix E. The construction of the targets for recurrent resources is explained on pp. 62-74.
6. The Karmel Report's ambivalent and ambiguous treatment of equality shows itself in its ideology as well as in its economics. A detailed examination of the ideology of Karmelism, and its co-option of the radical education movement, is outside the scope of this paper. It is sufficient to emphasise that the Report was consistent in this regard. For example, Connell et al make the comment: "The Karmel Report of 1973 is best known for its attachment to the idea of equality ... But the report also urged teachers to make curricula 'relevant' to different groups of children, and often talked of 'differences' instead of inequalities. In these arguments it was at one and the same time endorsing and abandoning two ideas which had helped to launch and sustain mass secondary education: that there could be common schooling, and that education could make opportunity equal. In these respects, the Karmel Report was the first sign of a sea-change in schooling." R.W. Connell, D.J. Ashenden, S. Kessler and G.W. Dowsett, Making the difference: Schools, families and social division, Sydney 1982, p. 23. See also Ken Johnston, A discourse for all seasons: An ideological analysis of the Australian Schools Commission Reports: 1973-1981. A paper presented to the Sociological Association of Australia and New Zealand, November 1981.
7. For the description of "equality" in terms of equality of measured selected resources per pupil (not including the disadvantaged index) see The Karmel Report, p. 70.
8. R.B. Scotton, 'Public expenditures and social policy' in Scotton and Ferber, op.cit. p. 4.
9. Connell, Ashenden, Kessler and Dowsett, op.cit. p. 16.
10. Commonwealth Bureau of Census and Statistics Schools 1971 Reference No. 13.5. (Subsequently Australian Bureau of Statistics Schools Australia Catalogue Number 4202.0.)
11. The admonition that all schools should (impossibly) duplicate the privileges of a few itself indicates the Report's disinterest in questions of real redistribution - whether of resources or of power. Yet redistribution is an essential precondition of tendencies for equality.
12. Further, Government fostering of Catholic education buttressed the myths of self-help and upward mobility (group and individual) as a 'solution' to inequalities. It is ironic that the consensual Karmel settlement assisted Catholic education to play a role that was non consensual.

13. See the table of sectoral family incomes in Helen Praetz, 'Public Policy and Catholic Schools', Australian Education Review Number 17, Melbourne 1982. In summary:

PERCENTAGE DISTRIBUTION OF SCHOOL-GOING POPULATION
BY FAMILY INCOME AND SCHOOL TYPE, 1976

FAMILY INCOME (P.A.)	TOTAL	GOVERNMENT	CATHOLIC	SCHOOL TYPE	
				OTHER DENOMINATIONAL	NON DENOMINATIONAL
OVER \$18,000	11.8%	9.6%	15.9%	46.1%	45.2%
\$15,000-\$18,000	27.0%	26.3%	30.2%	26.1%	25.4%
\$12,000-\$14,999	22.0%	22.4%	22.8%	10.9%	11.1%
\$ 9,000-\$11,999	17.2%	18.2%	15.6%	6.7%	6.6%
UNDER \$9,000	22.0%	23.5%	17.5%	10.2%	11.7%

(ORIGINAL SOURCE: FEDERAL CATHOLIC EDUCATION OFFICE, MARCH 1981)

14. T.F. Little, Ronald A. Mulkearns, John A. Kelly, Eric Perkins, Joseph P.O'Connell, Noel D. Daly, Eric D'Arcy, A Pastoral letter from the Bishops of Victoria, on education matters, 9 October 1983. Thanks to Michaela Kronemann.
15. For an analysis of some of these problems see Simon Marginson, 'Logic, Statistics and the Great Enrolment Drift Debate', in Australian Teachers' Federation, 1982 ATF Research Programme Papers (1): The Privatisation of Education, December 1982.
16. Schools Commission, Report for the Triennium 1982-84, March 1981, p. 29.
17. The Fraser regime maintained the Karmel Report's main formal commitments to equality: the Disadvantaged Schools Programme and the concept (albeit for propaganda purposes) of equal resource targets. But it was *not so liberal and not so contradictory in its approach to equality*. The successive Fraser Governments no doubt generally welcomed the increasingly unequal consequences of their policies, whereas with the benefits of hindsight we can speculate that the 1973 Karmel Committee, which was deeply concerned about equality, would recoil at the consequences (speeded up as they were by Fraser) of its decisions.
18. Thus it should not be surprising that the 1981 Triennial Report, with its emphasis on 'choice' and highly permissive attitude to private sector expansion, was nonetheless the work of outgoing and founding Schools Commission Chairman Dr. Ken McKinnon - not his successor Dr. Peter Tannock as is often assumed. The 1981 Report developed the logic of one side of the previous policies a stage further and in franker language. More openly, it down-graded equality at the expense of private choice. It proved unacceptable to many in the Government school sector and rightly so. But the 1981 Report was a symbol rather than a cause of the breakdown of the Karmel settlement. 1981 is the point of political breakdown primarily because of material factors - the squeeze on public schools due to the change in Federal-State financial relations. A textual analysis does not find the 1981 Report to be a radical political break. Rather, it is a case of the 'chickens coming home to roost'.
19. A useful overall summary of Commonwealth Government financing is provided by Kim Jackson in the Commonwealth Parliamentary Library's 'Commonwealth involvement in education', Basic Paper Number 15, 1982 and in the Parliamentary Library's forthcoming series of papers also by Kim Jackson, setting out Commonwealth aid to each private school from 1976 to 1981 for each State and Territory.
20. Schools Commission, Report for the Triennium 1976-78, June 1975, p. 264.
21. Australian Bureau of Statistics 5510.0, 1982-83 Commonwealth Budget Paper 2, p. 74, Schools Commission op.cit., pp. 49, 52 and 264, and Commission sources cited in Simon Marginson 'The Percentage Share Argument in Schools Funding', ATF Research Papers Number 3, February 1983.
22. This was probably a reflection of the potential political strength of the public school supporters, especially the defensive capacity of the teacher unions.
23. Commonwealth of Australia, 1983-84 Budget Paper Number 1, Canberra 1983, p. 359, and Australian Bureau of Statistics data (Catalogue Numbers 5206.0 and 5510.0) quoted in Simon Marginson, The role of the public sector, mimeo, Australian Teachers' Federation, p. 44. Table 5 shows that the State Government's contributions actually began to level out the year before, 1978-79.
24. Commonwealth Schools Commission, Recommendations for 1984, February 1983, Table 1.1.
25. For more details on these trends see Simon Marginson, The Privatisation of Schooling in Australia, Australian Teachers' Federation, August 1982, pp. 4-14.
26. The fact that the political collapse of the settlement occurred in response to absolute reductions or near reductions in public schools' monies (rather than the relative decline that had long foreshadowed the absolute one) is an indicator of the dominance of economism in the ranks of the teacher unions. The lesson surely is that in the public schools sector, social equality considerations cannot be sub-ordinated to immediate industrial gains without a long-term undermining of the industrial position - not at least through the privatisation and de-unionisation of the teaching service itself.
27. Clive Williams, The Early Experiences of Students on Australian University Campuses, Sydney University, 1982.
28. D.S. Anderson and A.E. Vervoorn, Access to privilege: Patterns of participation in Australian post-secondary education, Canberra 1983, pp. 68, 69.

29. *ibid.*, page 73.
30. Richard Teese, *Meibourne Working Papers 4*, *op.cit.*, p. 147.
31. Doug White, 'After the divided curriculum', *The Victorian Teacher*, March 1983, p. 7.
32. However, it is important to emphasise that structural, assessment and curriculum changes must accompany increased participation if greater equality is to be achieved. Past increases in quantitative participation levels have not necessarily resulted in greater equality of outcome. See Teese, *op.cit.*
33. Detailed proposals for democratisation are properly the subject of a separate paper. In schooling, one possibility is the development of some Commonwealth-finance public community schools, not administered by the relevant State Department of Education, but subject to basic student and teacher rights regarding curriculum, resources and industrial conditions.

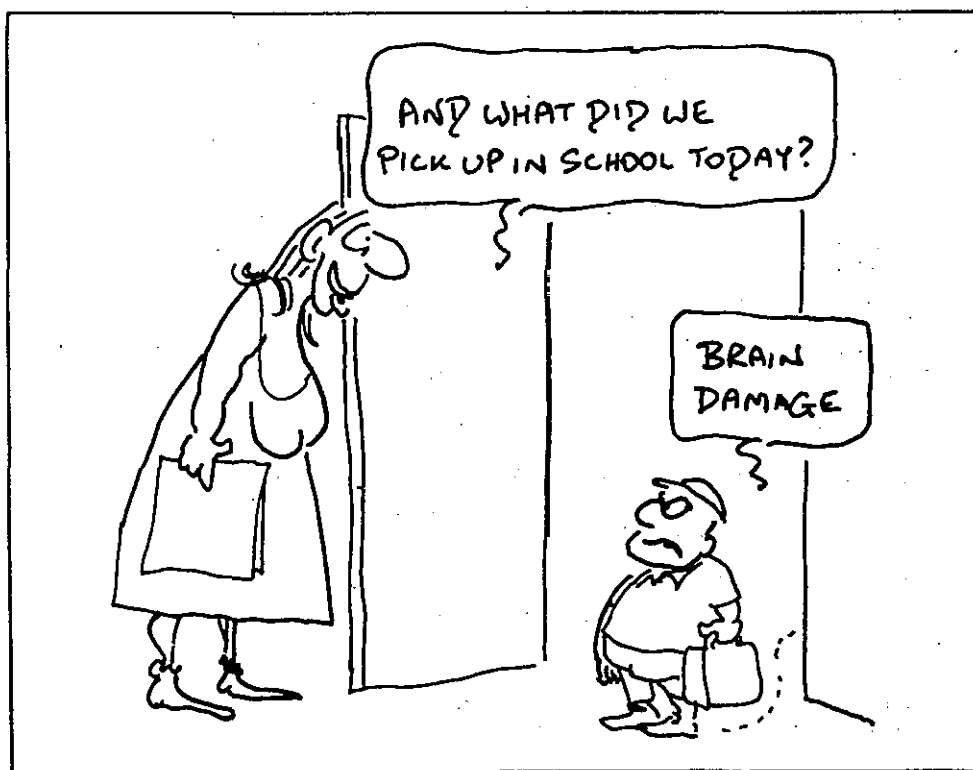


TABLE 1: DISTRIBUTION OF THE STUDENT POPULATION BETWEEN THE
THREE SECTORS OF SCHOOLING : YEAR 1 TO UNIVERSITY ENTRANCE
AUSTRALIA 1980

Point of Enrolment	Proportion of all students from:		
	Government	Non Catholic Private	Catholic Private
Year 1	80.3%	2.4%	17.2%
Year 2	80.6%	2.4%	17.0%
Year 3	80.4%	2.5%	17.1%
Year 4	80.3%	2.7%	17.0%
Year 5	79.3%	3.1%	17.6%
Year 6	79.0%	3.5%	17.5%
Year 7	76.5%	5.8%	17.7%
Year 8	75.3%	7.0%	17.7%
Year 9	75.6%	6.9%	17.5%
Year 10	75.1%	7.3%	17.6%
Year 11	70.1%	11.3%	18.7%
Year 12	64.2%	14.8%	21.0%
All Australia University Entrance	58.6%	21.6%	19.8%
Melbourne University Entrance	41.3%	35.6%	23.1%
Melbourne University Medicine Entrance	29.8%	52.6%	17.5%
Monash University Medicine Entrance	25.6%	53.5%	20.9%

(SOURCE: Australian Bureau of Statistics 'Schools Australia 1980'
4202.0 and Clive Williams, The Early Experiences of Students
on Australian University Campuses, Sydney University 1982)

TABLE 2: THE PROPORTIONAL WEIGHT OF PRIVATE SCHOOLS AT
HSC 1971, 1974, 1980

Proportional Distribution of all School Students
Between the Sectors of Schooling

	Government	Catholic	Other Private
1971	78.2%	17.6%	4.1%
1974	78.5%	17.2%	4.3%
1980	77.7%	17.5%	4.8%

Proportional Distribution of HSC* School Students
Between the Sectors of Schooling

	Government	Catholic	Other Private
1971	65.3%	18.9%	15.8%
1974	64.8%	19.3%	15.9%
1980	64.2%	21.0%	14.8%

(* Final year of Secondary Schooling except that this
includes both Years 11 and 12 in Tasmania)

SOURCES: Australian Bureau of Statistics, Schools Australia 4202.0)

**TABLE 3: DISTRIBUTION OF 1980 FIRST YEAR UNIVERSITY STUDENTS
BY SCHOOL SECTORAL ORIGIN
SEVEN UNIVERSITY FACULTIES, 15 UNIVERSITIES**

Faculty	Proportion of 1980 First Year Students who came from:		
	Government	Non Catholic Private	Catholic Private
Education	67.6%	12.9%	23.0%
Science	65.9%	18.8%	15.8%
Engineering	65.8%	14.7%	19.5%
Arts	63.4%	16.2%	20.6%
Economics	54.5%	21.9%	23.6%
Law	51.4%	28.0%	20.5%
Medicine	46.4%	39.1%	16.3%
All Students	58.6%	21.6%	19.8%

TABLE 4: CHANGES IN GOVERNMENT EDUCATION SPENDING AND IN THE SOURCES OF EDUCATION SPENDING, COMMONWEALTH AND STATES, AUSTRALIA 1973-74 TO 1980-81, CONSTANT 1979-80 PRICES. INCLUDES CURRENT AND CAPITAL SPENDING

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<u>Change from previous year in:</u>								
<u>1. Expenditure by the Commonwealth</u>								
Direct education spending (inc. NT up to 1978-79) %	+ 11.8	+21.4	+11.4	+2.0	-0.8	-0.3	-18.6	+0.1
Specific purpose education grants to the States (inc. NT from 1978-79) %	+109.4	+79.6	- 5.3	+7.2	-0.1	-2.5	- 3.4	+2.7
General Payments to the States * (inc. NT from 1978-79) %	- 7.3	+10.0	+ 2.8	+3.8	+6.7	+4.2	- 1.5	+1.9
<u>2. Expenditure by the States</u>								
Direct education spending from own resources and Commonwealth general and specific purpose grants (inc. NT from 1979-80)	- 6.0	+ 3.9	+ 9.2	+1.9	+7.2	+0.7	+ 0.7	+1.6
<u>3. Total Government Education Expenditure</u>	+ 10.7	+24.1	+ 4.4	+3.4	+4.2	-0.4	- 2.4	+1.1

*Payments to or for the States, the Northern Territory and Local Government authorities not included in the Budget under specific purpose items.

(SOURCES: Australian Bureau of Statistics (ABS), Expenditure on education, Australia, Catalogue Number 5510.0 and ABS, Quarterly estimates of national income and expenditure, Australia, Catalogue Number 5206.0 and Commonwealth of Australia, 1983-84 Budget Paper Number 1, page 359. Constant 1979-80 price data obtained using implicit price deflator for Gross National Product. Note that the NT started operating as a State for the purposes of education funding from 1 July, 1979).

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