

Public Private Partnerships In Public Education

Special Report to Annual Meeting 2008

Public Private Partnerships In Public Education

Introduction

Public Private Partnerships involve the importing of ideas, techniques and practices from the private sector in order to make the public sector more like businesses and more business-like. and/or

Involve forms of privatisation that open up public education services to private sector participation on a for-profit basis and using the private sector to design, manage or deliver aspects of public education.

Guiding Principles for this Report

1. A government funded state education system must provide funding to cover the operation of the school to deliver its core educational function.
2. Funding of schools should come directly from the state, supporting the self management of schools, and not through third party organisations i.e. contracting out.
3. Teaching and programme delivery in each school should be context

bound and should be decided by the school leader, staff and board of trustees.

4. Student achievement should be the focus of school programmes not commercial interest.

Additional Considerations

The Operational Grant should meet the needs of day to day running of schools.

Public Private Partnerships (PPPs) that contribute to the core running of schools are assuming the role of government in the provision of state education.

PPPs that provide the add-ons to school programmes or curriculum must be at the initiative of the principal and staff and should only supply extra benefits not the core provision. Private, for-profit investment in education is not supported.

Literature on privatisation defines and discusses the privatisation of education in a wide range of ways, including contracting out of services, bringing in private companies to run schools and privatisation of governance and funding.

Public versus Private Education

The ideal of New Zealand's compulsory education sector is that it is based on a nationally consistent public education system that offers all students equity of opportunity to learn. Public education is central to a modern democratic society because it offers all students access to free, secular, tolerant, diverse learning environments. Early childhood and primary education prepare children for lifelong learning and seek to give them the knowledge and competency to fulfill their own potential and make effective contributions to society as citizens and workers.

The ideal of a nationally consistent public education system available to all children has been challenged by a number of developments and policies in recent years. For example, schools finding the Operations Grant inadequate for their needs have given companies naming rights in return for large donations.

Politicians who advocate 'more choice' for parents and more 'flexibility' or 'autonomy' within the system are often talking code for a desire to adopt voucher schemes or charter school models where funding would follow

students and where private providers would have equal or greater access to public funding.

Characteristics of Public Private Partnerships that NZEI would support

- Initiated by the school with free and open buy-in
- Goals and outcomes defined and controlled by the school
- Full community support i.e. board of trustees, staff, principal etc.
- Expertise being provided free of financial or other cost to the school
- Where the school benefits without obligation to support or promote the partner.

Characteristics of Public Private Partnerships that NZEI would not support

- Initiated, lead and profited by the private sector organisation
- Influences and or directs the values, culture and programmes such as curriculum, or specific ideologies of the school
- Expectation of profit for the private company

- Request by the business for commercial influence through the school.

Note: Schools contracting for services using Operational Grant funding is not considered a PPP. Contracting for services is deemed to sit within the self managing model.

Note: Sponsorships/Consultancy would be considered a PPP if the partnership expects 'return service' or 'service for profit'.

Note: NZEI would not consider foreign fee paying students as PPPs. It is a school initiative with the school benefitting financially. There are, however, related issues which include potential teacher supply issues and funding inequities in schools.

A Wider View

Around the world, forms of privatisation are being introduced into public education systems, including private sector investment in the building and ownership of state schools and an increase in the number of specialist schools and academies in Britain, Ireland and Australia.

In New Zealand, private sector providers have gained, or are lining up

to gain a foothold in the provision of critical public services including roading infrastructure, telecommunications and health services. Private sector and non-governmental organisations are presently involved in providing services to schools.

Early Childhood Education

The New Zealand government is using the Public Private Partnership language in a range of ways. Examples of PPPs in education already exist in early childhood settings with for-profit companies owning property and employing staff and receiving state funding. NZEI has longstanding concerns relating to the increasing domination of early childhood education delivery by private and increasingly multi-national interests.

Effects of PPPs

In the early childhood sector there is a focus on delivering profit, compromised employment conditions for employees, staff movement, little focus on quality, on-selling or franchising with implications for employees, and state funding going out of New Zealand.

Out of school care, where the provider is a private company leasing property

and providing a service can affect the provider and teacher relationship. Parents expect the programme to continue once it has started. Teachers' rights to free access to their classrooms are impeded, due to the use of the school buildings and classrooms by the private organisation. Bringing privatisation onto the school site could lead to tutors after school or during school hours.

Philanthropic Enterprises

There are clusters of volunteer groups and business enterprises that are attempting to fill a void created by government under-funding of schools. These organisations fund a range of initiatives and 'add-on' programmes in schools many of which emphasise an element of the curriculum, yet they expect some commercial exposure for their participation.

Recent research shows that these once or twice a year programmes, even if they occur annually, do not provide sustainable and long-term outcomes for students. NZEI would not support the notion of these groups replacing what government should rightly be providing for education.

Sponsorship

Sponsorship is generally considered acceptable in cases where state funding does not contribute to the profit of a private enterprise. Sponsorship can create dependency, particularly to keep up with competition and could result in interference in curriculum and its delivery.

Property Ownership

NZEI has noted with alarm, recent statements by politicians that state schools could, or should have private landlords. The present publicly owned school property stock represents the state's accountability to provide a free, quality public education system. Private ownership of school property would mean money intended for education being diverted into supporting private enterprise.

Suggestions that schools sell off their property to the private sector under lease-back arrangements, and other forms of private management of schools, could result in increased costs to public schools. Private landlords would effectively have a monopoly on setting the rent and the cost of maintenance and renovation.

Vouchers

Vouchers are a way of funding education whereby the government pays for a child's schooling by way of a direct sum to the school or parent. Vouchers can lead to school competition and foster segregation. Twenty countries around the world have voucher systems of some sort including the United Kingdom and the United States. A review of a pilot programme in Australia, where vouchers were given to parents for 'extra' reading tuition, highlighted issues of inequity for students in rural and remote locations. (Carbines, Wyatt, Robb and Ikin, 2006).

The establishment of a new school by a private company would be encouraged by a voucher system where pupils and state funding can be attracted. Essentially New Zealand had a voluntary form of this type of voucher system with bulk funding in the 1990s. Parents can 'spend' the voucher at any school, public or private, and the voucher can be 'topped up' by parents who choose non-state education for their children. Such vouchers pose a threat to public education by diverting critical funding from the public system – which must still provide education to

the vast majority of students - to private providers.

Rather than increasing funding for curriculum programmes in the public system, the underlying assumption behind this policy is that the private sector will always meet the need more effectively than the public sector. However, there is little evidence to suggest that vouchers improve the educational outcomes of the students taking them up, let alone enhancing the overall quality of schooling available.

Private Schools

A further threat to public education would be any increase in state funding of private schools. Removing or raising the current cap of \$40 million on the public funding of private schools is likely to result in reduced funding for public schools. Public funding to private schools could be seen as an avenue to introduce PPPs to the whole system to develop private schools ahead of state schooling.

Bulk Funding and Quality

The current funding model in early childhood services, essentially a bulk funding model, has allowed corporate expansion into education at a faster

rate than provision from not-for-profit and community services. Research shows that for-profit services generally employ less qualified teachers and have poorer pay and employment conditions. The adoption of bulk funding in schools would mean that teachers are paid by school management, not centrally, so there would be an incentive to employ cheaper or less experienced teachers and to bypass national collective agreements. This could lead to private expansion in education at the expense of a quality public education system.

Conclusion

It is important NZEI has a position that enables a strong response whenever quality public education is deemed to be threatened.

The continuation of state provided and publicly owned education is at the core of NZEI's interests and the national interest.

The involvement of companies and commercial interests in profit making ventures in schools is considered a diversion of public funds to other causes.

The ability of a school principal, staff and boards of trustees to determine the nature and content of school programmes is considered an essential right.

National Executive Advisory Group Teacher Comment

'...generally Public Private Partnerships take the responsibility for adequately and equitably funding education away from the government and puts the responsibility for anything other than a base line education onto the entrepreneurial ability of schools.' (2008). (NEAG meeting, personal communication, February 22, 2008).

Recommendations

- That the report Public Private Partnerships in Public Education be received by Annual Meeting 2008.
- That the report Public Private Partnerships in Public Education be endorsed by Annual Meeting 2008.

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