

# **The Federal Role in Education: Lessons from Australia, Germany, and Canada**

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*The views expressed in this paper are those of the authors.*

## Executive Summary

The impending reauthorization of No Child Left Behind provides a sense of urgency to the debate over how the federal government can best help state and local authorities improve student achievement. This paper contributes to the debate by providing examples from other countries of innovations in the role of the national government. While it is common to look abroad for sources of inspiration, the governmental context of education reform is often underappreciated. The levels at which policy reform is implemented—national, state, and local—can be as important as the reform itself. Moreover, the degree to which foreign policy structures parallel those of the United States can make a crucial difference.

In recognition of this, the paper details some of the challenges of policy importation across national contexts. National governments in Great Britain and the Netherlands have implemented dramatic and important educational reforms over the last decade. Due to the long history of academic and political exchange between these countries and the United States, they are often cited as examples which the United States might do well to imitate. However, we argue that though these reforms may make for excellent state and local policy, they would require an unprecedented expansion of the federal role, one which is likely to be unwelcome by state and local authorities.

The United States is not unique in this regard. Canada, Australia, and Germany also have federal systems of government. That is, in each country, authority over most matters of education resides ultimately in state and local rather than the national government. Historically, this has constrained the ability of the federal government to influence student achievement. Federal intervention has been limited to suggesting standards, gathering and disseminating statistics, funding special programs, and encouraging innovation. These federal governments do not (and constitutionally speaking, cannot) hire teachers, write the curriculum, or dictate benchmarks.

However, we find that in other countries, federal governments are exploring new ways to improve student outcomes. This sometimes involves going beyond traditional roles. Importantly, it may even go beyond the demand for accountability. We find that the most promising federal reforms create a policy environment which not only *demands* but *enables* student achievement. This paper provides three such examples:

1. ***Encouraging early childhood education.*** The federal government of Canada is encouraging provinces and territories to expand access to high-quality child care and prekindergarten.
2. ***Connecting talent with need.*** The federal government of Australia is removing some of the barriers that make it difficult to staff high-needs schools by creating a national databank of job openings and applicants. Germany has made it easier for teachers to move throughout the country by ensuring that their pensions and qualifications are fully portable.
3. ***Attending to transfer students.*** The federal government of Australia is creating education “passports” for students to facilitate their transition across state and district boundaries.

The call for increased accountability is a demand that state and local governments meet their responsibilities. It is a call made by all federal governments, but it is one which will go unanswered unless the federal government helps create an environment that enables success.

## **Sources of Information**

This paper synthesizes information concerning three questions. First, what educational challenges do other federal democracies face? Second, what are other federal governments doing? Third, are these actions having any effect on student performance?

Information about the challenges facing other governments was acquired by examining international and national assessments as well as government reports pertaining to education outcomes. These assessments suggest that the countries in this paper face challenges similar to those faced by the United States, such as student preparedness, teacher quality, and student mobility.

Though the challenges facing each country are similar, the responses reflect local capacities and needs. To learn more about these contextual matters, we contacted ministries of education, national policy makers, and researchers. We then analyzed documents from national education organizations, government agencies, and journals.

We then sought to establish whether these responses improve student achievement. Such an assignment presents several challenges. Many reforms have been implemented in ways that prevent direct assessment of their causal efficacy. Others are long-term efforts whose most significant effects may not materialize for some time. However, the authors have sought to use and discuss empirical research in cases in which it is available.

The final challenge requires us to use this information to ask whether the effects of these policies can be generalized across national contexts. We argue that the structural similarities between the governments discussed here provide encouragement that these policies are indeed viable in the United States.

## **Policy Importation: Not Just What, but Where**

Policies that are best implemented at the national level in one country may be better implemented at the state or local level in another. For instance, the Netherlands' strong performance on international tests, such as the Programme for International Student Assessment (PISA) and the Trends in International Mathematics and Science Study (TIMSS), has drawn considerable attention. Government policy encourages a high degree of choice and competition. The national government, through public taxation, funds schools affiliated with Catholic, Protestant, and Islamic organizations, as well as a wide variety of schools specializing in areas such as sports, dance, and computer programming. Perhaps most interesting is that the Netherlands is able to do this without creating a wide divergence in school performance. The

Netherlands' experience shows that, in certain contexts, choice can be compatible with high levels of both excellence and equity.

However, the Netherlands is a small, urban country, well connected by mass transit. Parents have multiple schools within easy commuting distance. It has more in common with large cities like Chicago or New York than it does with the United States as a whole. Many areas in the United States are dispersed and rural, lacking access to mass transit. Choice plans that function in municipalities may not be a good fit for rural areas. In the United States, as opposed to many smaller countries, federal policy may often be too blunt an instrument.

Great Britain is another country to which United States policymakers have often looked for inspiration. For the last two decades, under both Tory and Labour governments, Great Britain has implemented sweeping changes, including a common national curriculum and the creation of Education Action Zones (EAZs). A common national curriculum can create a recognizable standard which then "pulls" isolated and impoverished neighborhood communities toward higher standards. It can also help ensure that the quality of a child's curriculum does not depend on whether her school is small or large, urban or rural, or rich or poor. Education Action Zones are meant to address the problem of low-performing schools by using a broad range of governmental interventions. These may include granting administrative freedom for schools to innovate, encouraging private education companies to provide managerial authority, and allocating additional financial resources to schools within the EAZs.

Central governments in Great Britain and the Netherlands have a constitutional authority that has no exact parallel within the United States. In the United States, educational power originates in the states; historically, the role of the federal government has been limited to collecting and disseminating research, fostering innovation, and ensuring fair adherence to constitutionally supported principles of equity. Through the No Child Left Behind Act, the federal government establishes requirements for testing students and measuring progress in schools and districts as a condition for receiving federal funds. Implementation is left to states and school districts. Important as the Act is in terms of historical precedent within the U.S., it lacks the political strength of education legislation in non-federal governments. It does not have the strength to dictate the use of a new curriculum, to redraw district boundaries, or to dismiss school boards, principals, and teachers. Hence, reforms aimed at improving curricula or expanding choice are more likely to succeed if initiated by state and local actors, rather than the federal government. Attempts to nationalize the curriculum, create Educational Action Zones, or initiate systems of school choice, if emanating from Washington, may in effect concentrate power in the Department of Education and are likely to meet with resistance.

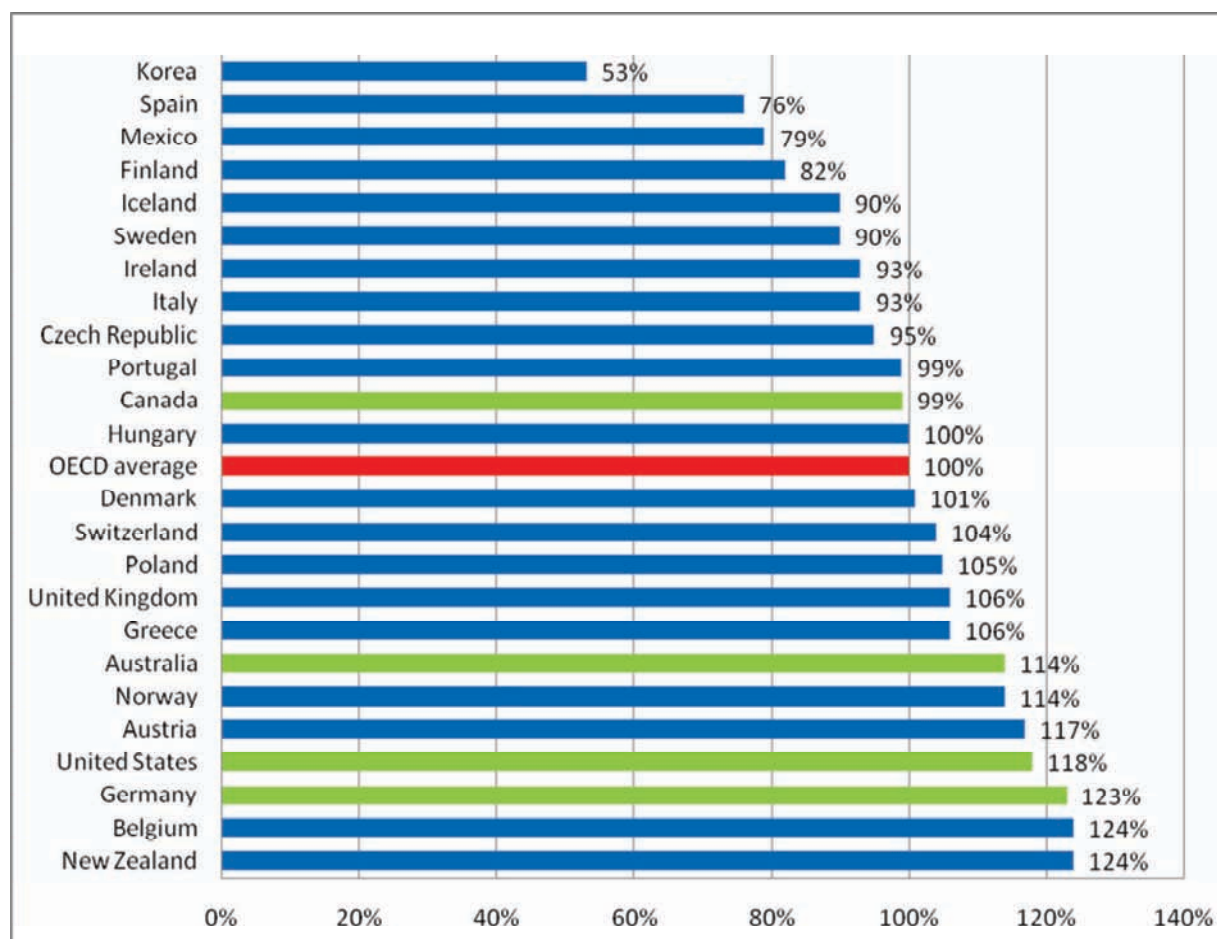
This does not mean that the United States cannot import good ideas from other countries that differ from us in policy structures. Comparative and international scholarship has sparked a number of interesting debates over issues such as pedagogy, curriculum, school choice, and teacher pay. However, these lessons must be absorbed by those who have control over such matters, namely, state and local education authorities. The United States federal government does not run schools, hire teachers, or write curricula. In these respects it is exactly like federal governments in Canada, Australia, and Germany. Despite such limitations, these governments do

not sit idly while state and local agencies struggle to meet the needs of their students. They attempt to create an environment that supports success. Thus, it is to these governments we turn.

One might expect the decentralized nature of federal education systems to lead to more variation in student achievement. In a highly centralized government in which policies do not vary across regions, we might expect more homogeneous outcomes than in a country in which each state can decide, to a greater or lesser extent, funding levels, curricular priorities, teacher salaries, and accountability mechanisms.

Evidence from PISA seems to support this. **Figure 1** shows reading achievement for all member countries of the Organisation for Economic Co-operation and Development (OECD) that reported scores on PISA 2000. Countries with federal systems of government are highlighted in the lightest shade (green).

**Figure 1. Variability in Achievement in OECD Countries on the PISA 2000 Reading Assessment**



Source: OECD, 2005.

Figure 1 displays the variability in student achievement (as measured on the PISA 2000 Reading Assessment) within each country compared to the OECD average. For instance, Canada is roughly equal to the OECD average for variability in student achievement, while Australia, Germany, and the United States have significantly greater variability in student achievement than the OECD average. None of the countries enjoys the same degree of equity as the Nordic countries of Finland, Sweden, and Iceland do. Each of the four countries discussed in this paper faces the challenge of creating a more equitable education system.

This paper highlights ways in which federal governments help create an environment that supports state and local efforts to raise student achievement. Like the United States, each of these countries has well-established programs for federally funded research, testing, and accountability. However, there are areas in which these countries are beginning not just to monitor state performance, but to help improve it. This paper focuses on three of the most promising areas of reform: 1) encouraging expanded access to high-quality child care and prekindergarten in Canada; 2) removing some of the barriers to staffing high-needs schools through a national databank of education job openings and applicants in Australia and a program that ensures teachers' pensions and qualifications are fully portable in Germany; and 3) easing the transfer of students across state and district boundaries by creating education "passports" for students in Australia.

These reforms address issues of broad concern within the United States. The best research available on early childhood development, teacher recruitment, and student achievement suggests that these reforms may have a positive impact. And importantly, each falls within the authority of the federal government and is likely to enjoy bipartisan support.

The experience of other federal systems shows that even in decentralized policy environments, the federal government can stretch beyond its traditional roles of observer and enforcer and become an enabler. The reforms proposed in this paper help clear away some of the institutional limitations that frustrate the efforts of parents, teachers, principals, and policy officials to raise student achievement. Taken together, they can help send children to school ready to learn and send educators to the schools that need them most.

### Three Global Priorities

Despite local differences, the similarities in educational priorities across different governments is striking, reflecting general agreement on the main opportunities for federal intervention. This paper focuses on three global priorities.

***Addressing achievement gaps.*** The older a student is, the larger the effort required to raise her or his achievement. Poverty and social status continue to be significant predictors of educational achievement in all federal democracies, but at very different rates. Using a nationally representative sample of kindergartners in the United States, Fryer and Levitt (2004) found that black kindergartners score on average 0.64 standard deviations below white students. Put differently, this means that roughly 75% of white children come to school

more prepared than the average black child. They also found that socioeconomic status explained a significant amount of the gap between black and white children.

***Managing teacher quality.*** Teacher quality is unevenly distributed, with the children most in need of high-quality instruction being least likely to get it. Fragmented communication networks and an inflexible pension system prevent teachers from easily changing jobs when they move across state lines. Poorer school districts thus face additional hurdles to attracting talented teachers and principals with proven records of success.

***Managing student mobility.*** American students shift schools more frequently than is commonly acknowledged. Twenty percent of American families move annually. Forty percent of children move four or more times by the time they are twelve years old (Long, 1992). Between the first and eighth grades, over 30% of elementary school students change schools (Smith, 1995). More than 25% of students make a non-promotional school change between the eighth and twelfth grade (Rumberger & Larson, 1998). The mobility rate for poor minority children is even higher, with 73% changing schools one or more times in elementary school and 20% changing schools three or more times (Temple & Reynolds, 1999). School mobility has been consistently linked to poor academic outcomes, including increased dropout rates, lower grades, increased rates of grade repetition, and poorer test scores (Adam & Chase-Lansdale 2002; Astone & McLanahan, 1994; Hagan, Macmillan, & Wheaton, 1996; Haveman, Wolfe, & Spaulding, 1991; Ingersoll, Scamman, & Eckerling, 1989; Pribesh & Downey, 1999;; Temple & Reynolds, 1999; Tucker, Marx, & Long, 1998; Wood et al., 1993).

Theory suggests that residential and school mobility may hurt student achievement by weakening social bonds and disrupting the household. However, school mobility is not simply a cause of these problems, it is also a symptom. Students who move across schools are more likely to be at risk of academic failure and delinquent behavior (Gasper, DeLuca, & Estacion, forthcoming). They often have preexisting psychological and academic problems that the new school may be unaware of. A comprehensive educational history, including the student's extracurricular involvement, academic record, and disciplinary history, can help schools assist students in forming bonds with her or his new school. These bonds may in turn increase the student's involvement with the school, a key to increasing her or his academic achievement.

Despite significant differences in governance structure—for instance, the United States and Australia both have dedicated national departments or ministries of education, while Germany and Canada do not—the national governments have historically played strikingly similar roles. The four main activities are monitoring student achievement and other educational indicators, suggesting standards, stimulating innovation, and funding special programs.

***Monitoring.*** The federal governments in each country organize and conduct international and national assessments of student achievement. They also gather comparative data about school finance.

***Suggesting standards.*** Because the national government lacks the authority to dictate standards, goals are set in each country through cooperation between the national and state

governments. These standards can act as a public statement of aspirations. However, enforcing such standards can prove difficult. National lawmakers can withhold funding to states that fail to perform, but the risk of alienating support means that national lawmakers are often hesitant to bring down too heavy a hand.

***Stimulating innovation.*** Each of the governments discussed in this paper funds pilot programs in various areas of education, including teacher training, recruitment and compensation, school governance and leadership, and curriculum and pedagogy.

***Funding special programs.*** Federal governments tend to take a role in raising the educational opportunities of historically disadvantaged populations. Australia and Canada have special programs aimed at aboriginal education. The United States directs funds to areas impacted by military bases, as well as to low-income populations.

The United States has been as active in these four areas as any other federal democracy. However, other federal governments are now beginning to not simply suggest standards and strategies to states, but actually *enable* states to achieve those standards. They have gone beyond a focus simply on stating the desired *products* of education to creating the necessary *processes* that make these products happen. We suggest that the federal government in the U.S. might best raise student achievement by taking on this enabling role and focusing both on the process and the products of educational excellence and equity.

## Basic Structures of Other Federal Education Systems

Though broadly similar, the federal role in education in the United States differs in important ways from the federal role in Canada, Australia, and Germany. While we do not pretend to offer a complete picture of educational governance in each country, we do hope to provide the most important general features, such as where authority and responsibility are placed and how cooperation between states and the federal government is achieved.

### Canada

The Canadian educational system is arguably the most decentralized among industrialized democracies. In the field of education, Canadian provinces more closely resemble independent countries rather than dependent provinces. For instance, the Quebec Ministry of Education has its own foreign relationships, its own foreign assistance programs, and in essence its own foreign policy. Canada has no central “ministry” or “department” of education. Rather, each of the thirteen jurisdictions (ten provinces and three territories) contains its own ministry of education. The ministries are headed by an elected member of the parliament in much the same way that committee chairmanships in the United States House and Senate are assigned.

Though the federal government of Canada has no direct authority over elementary and secondary education, it does provide indirect support through the use of federal transfer payments to the provinces. Although many of these funds are used to support postsecondary education, a portion goes to support the teaching of French and English, Canada’s two official languages.



Additionally, the federal government is responsible for the education of indigenous peoples, members of the armed forces, and inmates in federal correction facilities (Council of Ministers of Education, Canada, 2008; Canadian Education Association, 2007).

Despite the lack of a national ministry or department of education, coordination between the federal government and the jurisdictions is made possible through the Council of Ministers of Education Canada (CMEC). CMEC sets priorities for nationwide cooperation in education. Recently, CMEC has worked on several initiatives, including closing gaps in educational attainment and achievement between aboriginal and non-aboriginal students, measuring student achievement, and strengthening the relationship between local, state, and federal agencies.

### **Australia**

Australia has a dual system of schools, with both church or denominational schools and government-controlled “national” schools. Church schools predate government schools, and due to their long history, the continued government support of them has been relatively noncontroversial.

Under the Australian constitution, education is the responsibility of the six states and two internal territories. Despite the lack of any significant constitutional role, the federal government plays an active role in helping the states and territories meet their educational objectives. Most federal initiatives originate in the Department of Education, Science and Training (DEST). Each state and territory has its own ministry of education, which is responsible for setting teacher qualifications, establishing standards, monitoring statistics, and raising revenue.

Since 1993, cooperation between DEST and the state and territorial ministries is achieved through the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA). The rather broad charter of MCEETYA allows it to coordinate the several governmental programs with significant consequences for student achievement, spanning topics that range from elementary education to linkages between education and employment. MCEETYA publishes the *National Report on Schooling*, a collection of indicators measuring student achievement in the various states and territories. It is also responsible for publishing *National Goals for Schooling in the Twenty-first Century*, which outlines the main goals of the curriculum and provides a common framework for reporting educational statistics.

### **Germany**

The primary responsibility for education in Germany resides in the sixteen *lander*, or states, which maintain their own ministries of education. Though the federal government is active in promoting research and piloting new programs, especially in math and science education, it plays a remarkably small role in funding education. In 1964, without any direction from the central government, the *lander* signed an agreement that guarantees uniformity in the basic structure of German education. They coordinate on matters of national significance through the Standing Conference of the Ministers of Education and Cultural Affairs (KMF). The KMF is composed of the Ministers of Education from each land as well as senators who serve on education

committees. Each land is given one vote, with most matters being decided by a simple majority. The KMF, rather than the national parliament, handles matters of broad relevance.

The voluntary nature of the KMF provides an interesting comparison with the United States. Despite having even less authority to issue sanctions than the United States Department of Education, it has still been able to execute its principle task of ensuring “the highest possible degree of mobility throughout Germany for pupils, students, and teaching personal” (Standing Conference of the Ministers of Education and Cultural Affairs of the Lander in the Federal Republic of Germany, 2008). It has done so through the creation of nationwide standards for certificates and qualifications, quality standards for educational institutions, and a framework for cooperation between educational institutions. In the United States, cooperation between state departments of education is limited, and reciprocity agreements are generally non-binding.

## **Preventing the Achievement Gap: Preschool and Early Childhood Education**

In each of the countries described above, the primary responsibility for K-12 education rests with the state or provincial governments. One major obstacle to meeting these responsibilities is in overcoming the disadvantages that accumulate before a student begins kindergarten. In the United States, gaps that exist at kindergarten tend to broaden, rather than narrow, as students progress through school. As these gaps broaden, they become increasingly difficult to close. Recent studies (Blau & Currie, 2006; Waldfogel, 2006) show that high-quality early childhood care can produce significant learning gains, especially for disadvantaged children. Early childhood programs aimed at preventing achievement gaps may therefore be a useful supplement to K-12 programs aimed at closing them.

However, as states have struggled simply to maintain their classrooms in K-12, they have been slow to add comprehensive early education and prekindergarten services. As a recent OECD report on early childhood education noted, “devolution of powers and responsibilities may widen differences in access and quality between States, regions, or districts within a country . . . the phenomenon is even more evident in federal countries, such as Australia, Canada, Germany, and the United States” (OECD, 2006, 52). To prevent gross inequities in access to early childhood education, the report recommends that “a role should be retained for the central government” (OECD, 2006, 53). Other countries could learn from the experiences of Canada and Australia, where the federal governments have begun providing resources to help provincial governments ensure that children begin school ready to learn.

### **Canadian Child Care Programs**

The federal government of Canada has a series of programs intended to help families pay for the cost of raising children. While most of these programs are targeted toward low-income families, benefits extend to middle-income families as well. A brief description of these programs follows. All amounts are expressed in Canadian whole dollars.

All families in Canada are eligible for the Universal Child Care Benefit (UCCB), which provides a \$100 monthly payment to help pay for child care for children under the age of six. This

monthly payment is typically supplemented by the state and territorial governments, thus making this a truly cooperative relationship between the federal and provincial/territorial governments.

The Canada Child Tax Benefit (CCTB) is a federal program that pays families earning less than \$37,128 a non-taxable monthly stipend to help with the costs of raising children. The size of the benefit depends on the number of children in the family, the province or territory of residence, net family income, and whether the child has a disability. The basic benefit in 2008 was roughly \$107 per month for each of the first two children under eighteen years of age, and an additional \$7.50 for the third and each additional child. For families with one child who earn above \$37,128, the monthly payment is reduced by 2% of the income earned above this threshold. The payment is reduced by 4% for families with two or more children.

Additionally, families who earn less than \$20,933 qualify for the National Child Benefit Supplement (NCBS), which provides an additional \$166 per month for the first child, \$147 per month for the second child, and \$139 per month for each additional child. The NCBS is reduced by 12.2% of the net family income over \$20,933 for families with one child, 23% for families with two children, and 33.3% for families with three children. The NCBS is the federal contribution to the National Child Benefit (NCB). Thus, many families qualify for additional assistance from the provincial and territorial governments. In acknowledgment of the financial difficulties encountered by the parents of children with disabilities, families who earn less than \$37,178 receive an additional Child Disability Benefit (CDB) of up to \$196 monthly.

**Box 1** gives an example of how much assistance a Canadian family might expect from the various child benefit programs.

#### **Box 1. Canada's Child Benefits: How Do They Add Up?**

It can be difficult to see how Canada's child benefit programs fit together. Though there is some degree of variation across provinces, these examples illustrate how much assistance typical families might expect.

Suppose John and Joan Smith have three children, ages three, five, and twelve, none of whom have disabilities. Together, John and Joan earn \$40,000. They would qualify for:

##### **Canada Child Tax Benefit: \$106.62**

- We first subtract the income cap from their total income:  $\$40,000 - \$37,128 = \$2,872$
- We then multiply this by 2%:  $\$2,872 \times 2\% = \$114.88$
- Finally, we subtract this amount from the base benefit for three children:  $(\$107 + \$107 + \$7.50) - \$114.88 = \$106.62$

##### **Universal Child Care Benefit: \$200.00**

- The Smiths have two children under the age of six, so they will receive a monthly payment of \$200.

##### **Total Federal Assistance: \$306.62**

Imagine another couple, Tom and Rhonda Taylor, who have two children, ages five and eight, one of whom has a severe disability. They earn \$30,000. They would qualify for:

##### **Canada Child Tax Benefit: \$214.00**

- Because the Taylors earn less than the income cap, they are eligible for the full benefit of \$107 per child, or \$214 total.

**Child Disability Benefit: \$196.00**

- Due to their limited income and the severity of the disability, the Taylors qualify for the full benefit.

**Universal Child Care Benefit: \$100.00**

- The Taylors have one child under the age of six, so they will receive a monthly payment of \$100.

**Total Federal Assistance: \$510.00**

Source: Canada Revenue Agency, 2008.

Research on high-quality child care in Canada suggests that these programs can have positive effects on society, as described in **box 2**.

**Box 2. Early Childhood Education as an Economic Stimulus? Evidence from Quebec**

Recent evidence suggests that increasing the affordability of high-quality child care encourages mothers of young children to return to the workforce sooner and rely upon fewer social services. With the assistance of the federal government, in 1997, Quebec began a program that made the cost of child care \$5 per day per child. Researchers found that this program was associated with a significant increase in the levels of workforce participation by mothers of young children. Because the mothers were earning income, they were less likely to depend upon social services. Lynch (2007) argues that the program may reduce state expenditures on child welfare, criminal justice, and reduced crime, as well as increasing earnings and tax revenue. He estimates that every dollar spent on prekindergarten would return between two to three dollars in government spending, and eight to twelve dollars to society as a whole.

While few doubt that high-quality child care can produce positive educational effects, there is serious disagreement as to how the government can ensure that all child care is of high quality. In a working paper, Baker, Gruber, and Milligan (2005) argue that children in the Quebec program “are worse off in a variety of behavioral and health dimensions, ranging from aggression to motor-social skills to illness.” Further, they state that the program “led to more hostile, less consistent parenting, worse parental health, and lower-quality parental relationships.” Though the authors acknowledge that there are serious limitations to their analysis (for instance, their sample excluded single mothers, failed to account for long-term increases in earnings, and had no way of controlling for an “adjustment” period in the new day care facility), this does highlight the need for caution in scaling up quality programs.

Sources: M. Baker, J. Gruber, & K. Milligan, 2005; P. Lefebvre, & P. Merrigan, 2005; R. G. Lynch, 2007.

These targeted programs are built on the acknowledgment that student outcomes are the products of multiple educational institutions, including families, child care centers, and schools. It will be easier for elementary and secondary schools to help kids “catch up” if the differences in starting positions are minimized.

### **Australian Child Care Programs**

The federal government of Australia has begun an initiative to assist parents in their efforts to educate their children in the early years. In cooperation with universities and private organizations, the federal government funded an initiative to create materials that help parents and early childhood teachers develop a “deeper knowledge and understanding of early literacy and numeracy” (Australian Department of Education, Employment, and Workforce Relations, 2008b). The materials found online provide both comprehensive information on the learning needs of young children and interactive materials that parents can download.

Could such a program work in the United States? Perhaps. The State of Tennessee’s Books from Birth program sends every parent of a new child one book per month through the child’s fifth birthday (Governor’s Books From Birth Foundation, 2008). Books from Birth is supported both through private donations and public funding. These books could be coupled with educational materials to help parents better meet the developmental needs of their children.

### **Australia’s Efforts to Manage Student Mobility**

Low-income families are significantly more likely to move in the middle of the school year than high-income families. These moves can be especially disruptive to a child’s education. Children must adjust to a new teacher, curriculum, and expectations. Further, teachers have to take time to assess the student’s abilities and previous achievement, often with little or no information about the student’s educational history. These are possible explanations for why a recent study completed by Hanushek, Kain, and Rivkin (2004) found that residential mobility patterns explained 14% of the black-white achievement gap and 8% of the gap between children from low-income families and others.

All federal systems have to balance the complexity of state and local regulations, differences in curriculum content, and sequencing of instructional materials. As a result, students who move from one jurisdiction to another often become lost. They fall behind, not only because they sometimes have missed school, but because the schools and classroom in their place of destination are so different from those in their place of origin.

Beginning in January of 2006, the federal government of Australia, in conjunction with the states and territories, agreed to implement a national system to transfer student information between schools when children move between states. Every educational authority in the country uses a common “Interstate Student Data Transfer Note” to ensure the commensurability of student information among all levels and sectors. This is an important initial effort to mitigate the negative effects of student mobility.

One of the primary functions of all federal governments is to coordinate the exchange of goods and services between states. “Educational passports” can be seen as one way of coordinating the educational services offered by different states. These passports should include basic student information, such as test scores, grades, health records, vaccinations, and special needs. These passports could help avoid situations in which student starts school late because his or her

vaccination records are not forwarded, goes a month without free and reduced-price lunches, or loses classroom time to retake diagnostic tests.

## **Connecting Talent with Need: Common Qualifications, Portable Pensions, and a National Job Databank**

One persistent challenge in K-12 education is that the children in most need of quality instruction are the least likely to receive it. Low-income and minority students are significantly more likely to be assigned to teachers who have less experience, education, and teaching credentials. Teacher quality is among the most important factors in student achievement. It is possible that the achievement gap between poor and rich students and minority and white students could be narrowed if teacher quality were more equitably distributed.

### **Australia's Job Guide**

The Australian Government Quality Teacher Programme (AGQTP) provides one example of a comprehensive attempt to address this urgent problem. AGQTP has funded initiatives to improve quality and status of teachers, enhance the capacity of school leaders, drive leadership innovation through research, and improve AGQTP service delivery.

One way of doing this is by making the routes into teaching easier to find. The Department of Education, Employment, and Workplace Relations has put together a comprehensive Job Guide (Australian Government, 2008a) that provides detailed information on how to become a teacher in each state and territory, including contact information for institutions responsible for credentialing and recruitment. A prospective teacher in one province can find not only the requirements to teach in any given state or territory, but also the multiple avenues available for fulfilling these requirements. The federal government coordinates and operates the website, while states and territories are responsible for submitting specific information.

A similar program is already operating in the State of Alabama. Through the Teach in Alabama initiative, prospective teachers can apply to every district in the state online via one registration form (Alabama State Department of Education, 2008). It allows users to search through every teaching and administrative job, while also allowing districts to draw from a much wider pool of applicants.

The Job Guide is far from perfect, but it could be a tool for connecting high-need schools with teachers. Working with states and local school districts, the federal government could create two forms: a Common Vacancy Form for schools and a Common Application Form for teachers. These forms could be gathered to create a national database of vacancies and applicants, thus allowing principals to conduct a nationwide search for the kinds of teachers who best fit their schools' needs.

The need for such a database can be seen by the recent struggles faced by Michelle Rhee, superintendent of public schools in Washington D.C. In her effort to fill 45 principal vacancies, she vowed to conduct a nationwide search for the best talent (Turque, 2008). However, a

combination of factors made this search impossible. One of these factors was her inability to offer a relocation package sizable enough to offset the potential loss in pensions that veteran educators incur when they leave state systems. Another was that she was forced to passively wait for applicants, rather than actively seek those who might be willing to move.

Without having access to a common database, Rhee's ambition for a national search to locate the most experienced and talented leaders was whittled down to a hunt in her own backyard. The newly hired principals are mostly local, and many of them are young and untested. A national database may have made her search more successful.

### **Models for Teacher Pension Portability**

In most districts across the country, compensation packages are heavily back-loaded, with benefits being concentrated toward the end on the career in the form of higher salaries and pensions. Plans to "front-load" teacher compensation may help recruit newer teachers to difficult districts, but do little to change the incentive structure for experienced teachers and principals who are deeply vested in state retirement systems.

In a recent paper from the Center for Economic Development, Janet Hansen (2008) argues that the lack of pension portability in the United States may be one of the key factors behind teacher shortages. While it is certain that the lack of pension portability is a loss to teachers, Hanson argues that schools are the biggest losers. "The penalties paid by "short-term" teachers discourage individuals from moving from areas where their skills may be in surplus to areas which may be suffering from difficulties in filling their teaching slots," Hanson notes (2008, 26). The current pension system may be a significant cause of the current misdistribution of teaching talent across schools.

A lesson from Germany may be appropriate here. In Germany, teachers are classified as civil servants and are thus part of the civil service pension system. This makes their pensions completely portable as they move across district or state boundaries. The United States could capture the same benefit (without federalizing the teaching workforce) by offering a fully portable pension plan. Such a plan would make it easier for veteran teachers to cross state lines without the risk of sacrificing their retirement accounts. This kind of action falls squarely within the federal government's broader role of regulating the flow of good and services across state lines.

Another lesson may be gleaned from the United States. In the early 20<sup>th</sup> century, Andrew Carnegie saw that the low pay of college professors prevented them from adequately saving for retirement and discouraged young people from going into academia. Using part of his own fortune as seed money, he offered a pension system that universities could buy into. The program grew rapidly during the first half of the century and eventually came to be known as TIAA-CREF. Most universities today offer TIAA-CREF to their faculty, who are free to take their retirement accounts with them whenever they change schools. This has put universities in a much better position to attract talent since no institution can "hold a professor hostage" by not releasing his or her retirement account.

In 2007, Standard and Poor's gave TIAA-CREF an AAA rating, judging that its \$414 billion dollar portfolio was well managed and equipped to meet the demands of its contributors well into the future. This stands in sharp contrast to the woes facing many state retirement systems. According to the S&P evaluation, one of the reasons for the success of TIAA-CREF is that "the pension portability it offers to education professionals protects the company from employment turnover within universities by facilitating a continuous relationship with contract holders" (S&P, 2007, 4). That is, those who pay into the system can continue to do so over the course of their career, regardless of whether they change employment. This continuity has proved to be beneficial to universities, individuals, and the financial solvency of TIAA-CREF. The report states, "Portability in a highly mobile profession, especially among younger public university staff, helps TIAA retain clients even as those clients change employers" (S&P, 2007, 5). State and district pensions cannot be protected against such mobility. Thus, not only are portable pensions a tool for recruiting the best educators, they are also a means for alleviating the pension crises facing many states.

Of course, lessening the barriers to teacher mobility comes with some risk. Teachers may use a national job database to search for "easier" teaching environments. If their pensions are fully portable, current teachers may have less reason to stick with challenging assignments.

These concerns are certainly justified, but there seems to be some element of coercion in using a teacher's retirement as ransom, or actively blocking efforts to disseminate information. In addition, it may be useful to take the perspective of an imagined school administrator. Would she consider it worth allowing her own educators to leave at their own will, so long as she knew that the rest of the nation's teachers can do so as well? The answer to this may vary depending on each administrator's situation—those who are highly content with their teachers may not find the deal attractive. But those who seek to improve their cadre of teachers may find it quite exciting.

## Conclusion

The problem in the U.S. is not simply low achievement scores; typical of other federal systems, its problem lies in the *variation* in achievement scores. Under No Child Left Behind, states are responsible for helping students catch up, but have limited capacity to ensure that they have a fair start. They are held accountable for hiring highly qualified teachers, but lack the infrastructure to successfully execute nationwide job searches. They are responsible for ensuring that the educational needs of each student are met, but lack a framework for transferring information across state lines about what exactly those needs are.

The central recommendation of this paper is that the federal government, in addition to fostering a culture of accountability, must also help create an environment that enables success. Drawing on the experience of other federal governments, this paper suggests three ways in which this is possible: expanding access to high-quality early childhood education, perhaps through federally supported vouchers making children ready for schooling; creating a common system for tracking students (of any age) who transfer between states; and making it easier for districts to find the teachers and principals they need through a national job databank and pension portability. The initiatives discussed provide examples of specific ways in which this is possible.



Every federal government discussed in this paper has a well-established system of gathering and collecting education statistics, monitoring state performance, and developing standards for accountability. These capacities were built during the most recent wave of education reforms. Their success depends on a second wave of reform that will increase the federal government's role not just in setting standards, but in helping states achieve them.

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