

## Good teachers deserve to be top of class

By Roger Kerr

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**A puzzling part of the education debate in New Zealand is why unions which supposedly represent teachers' interests oppose measures which would see good teachers paid more.**



Although there are many excellent men and women in our classrooms, New Zealand suffers from an overall shortage of high-quality teachers. We face a greying work force, diminishing numbers of male teachers, and persistent shortages in key subjects.

The best way to increase the quality of the pool of teachers is to pay good teachers more money. This was the refreshing message of Stanford economist Ed Lazear, who visited New Zealand last week at the invitation of the Education Forum.

In the regular feuds between education unions and the Government over teacher pay and conditions, the subject of teacher quality is often overlooked. But Prof Lazear points to research by fellow Hoover Institution economist Eric Hanushek, which shows that teacher quality is the most important variable affecting a child's learning. This is, of course, a fact that teachers, parents and students already know.

Although New Zealand spends more on education (relative to GDP) than most OECD countries and the average teacher

is in the top 15% of taxpayers, we would almost universally agree that good teachers are underpaid. The remuneration system has little flexibility. The bulk of pay is tied to qualifications and the number of years a person has been standing in front of the classroom. No other profession pays this way. Teachers tend to reach the top of the pay scale relatively quickly – and then they find there is very little room for them to move.

The compressed pay system is one factor that makes teaching unattractive for many talented people. The result is a persistent, chronic shortage of teachers in areas like science, mathematics and computing, where other industries offer competitive salary packages. Ironically, increased opportunities for women have actually diminished our pool of good teachers. Reduced discrimination in the workplace – which we would all agree is a great thing – has provided women with far more opportunities than the "nursing or teaching" choice of old. The government-dominated teacher labour market simply has not kept pace with this change.

Prof Lazear points out that increasing teacher salaries would naturally increase the size and quality of the applicant pool. However, he stresses, solely hiking pay across-the-board would not be a sensible response to our problem. We may attract some more highly motivated, intelligent and personable teachers. But each one would be paid at the same rate as a mediocre, disinterested teacher just down the corridor.

This is where Prof Lazear makes the case for performance-related pay. He does not claim that this should be the only way we pay teachers. His favoured model is a system where a small proportion of a teacher's pay would be based on performance, assessed by school principals. This potential pay hike would increase the appeal of teaching for exactly the kind of candidates we want – talented, energetic, motivated people.

Critics would argue that teaching is a "calling" – that the education of our children should not even be discussed in the same breath as sordid money matters. It is certainly true that many teachers feel their career is a "calling", and remain in the profession in spite of, and not because of, the salary. Yet this does not negate the argument for change. Such a teacher would remain in the profession under a changed pay system – and, based on performance, would receive a larger pay packet. In addition, we should recognise that at some point, the personal sacrifice becomes too great and good teachers leave the system.

So how would we measure a teacher's worth? Prof Lazear has done a lot of research in this field. One obvious way to measure a teacher's performance – the income of his or her students in 10 or 15 years – does not help us reward teachers today. He favours using a combination of students' test scores and gains, which would be weighted so that schools in wealthier, better-educated neighbourhoods were not advantaged.

Devolved funding would provide the best way to pay good teachers more, says Prof Lazear. Currently, the Ministry of Education in Wellington largely sets a teacher's pay, whether they work in central Auckland or Central Otago. Prof Lazear argues that local communities and principals could do a far better job measuring individual performance than bureaucrats in Wellington. Besides academic results, principals could take into account factors such as teamwork and the contribution

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of teachers to extracurricular activities like sports.

And if each principal's salary was performance-based, Prof Lazear points out, we could introduce a further level of incentives to improve teacher quality. Devolved funding to schools – and devolved decision-making to principals and boards of trustees – would provide a community-based answer to a problem that the Beehive can't solve.

Introduced along with such changes should be moves to make it easier for schools to dismiss under-performing teachers. If we continue to ignore the evidence of people like Ed Lazear, we will be left with nothing more than the ongoing brawl between education unions and their government paymasters. And sadly, that debate shows no signs of focusing on the single most important measure in a child's education: the quality of the teacher at the front of the classroom.

*This article does not necessarily reflect the views of the Education Forum.*

Roger Kerr is the executive director of the New Zealand Business Roundtable and has worked as an official in the New Zealand Treasury and the Ministry of Foreign Affairs. He is a former director of the Electricity Corporation of New Zealand, a former member of the Council of Victoria University of Wellington, and was a member of the Group Board of Colonial Ltd in Melbourne from 1996 to 2000.

### Education Forum

P.O. Box 10 539  
Manners Street  
Wellington, New Zealand  
Telephone: +64 21 607 636  
Fax: +64 4 471 1304  
Email: [info@educationforum.org.nz](mailto:info@educationforum.org.nz)  
Web: [www.educationforum.org.nz](http://www.educationforum.org.nz)