

# New Zealand students begin nationwide campaign for free state education

**John Braddock**  
**31 May 2000**

New Zealand university students begin a nationwide campaign this week over the deepening crisis in the country's tertiary education system. The first National Day of Action for Free Education is being held today, with follow-up meetings on all the major campuses, leading to a second mobilisation on July 26. Students are preparing occupations of university administration buildings if there is no response from the Labour-Alliance coalition government to the issues at the heart of the campaign.

Following a meeting of student activists from seven universities over Easter, a list of 10 demands has been issued. They include a call for free education for all by raising taxes on the wealthiest 5 percent and on the corporate sector, the provision of living allowances and scrapping student debts, an end to the privatisation agenda in tertiary education and adequate government funding for running educational institutions and for research. Students are also demanding the reinstatement of emergency unemployment benefits which, until being scrapped by the previous National Party government, were available over the summer vacation periods to unemployed students. As a result of the mismanagement of student loan applications at the start of this year, and previous delays in loan payments that have often seen students reduced to periods of poverty, there is a further demand that the government stick by its pre-election promise to sack Christine Rankin, the unpopular head of Work and Income NZ, the department which administers the scheme.

The immediate impetus for the student campaign is the failure of the Labour-led government, now six months into its three-year term of office, to introduce any measures to resolve the pressing problems confronting students and the state education system as a whole. Far from foreshadowing any significant changes to the pro-market reforms implemented by the 1984-90 Labour Government, and deepened under National over the past decade, the new government is now, behind the façade of a few minor pieces of window dressing, preparing to extend them. In opposition to this, students have quite properly argued that the Labour-Alliance government was not elected, as far as the great majority of the population is concerned, to continue with these policies.

Just last week, Massey University, based in Palmerston North but with campuses in Wellington and Albany, north of Auckland, announced that up to 200 teaching jobs could no longer be "guaranteed," and that 116 positions would be definitely terminated over the next two years. Letters have gone out to lecturers in the humanities, agricultural sciences and business faculties telling them their jobs will no longer exist or advising them they will have to reapply for a diminishing number of positions. Vice-chancellor James McWha blamed the restructuring, which began last year with layoffs targeting non-teaching staff, on falling student numbers, mainly at its Palmerston North campus. A 10 percent drop in enrolments over the past two years has meant a \$NZ10 million loss of income.

According to recent reports in the *New Zealand Education Review*, a record number of tertiary institutions are currently facing consecutive budget deficits, and having to make special arrangements with the government Audit Office to ensure they can continue to operate as "going

concerns". A survey of annual accounts by the *Education Review* showed almost a third—11 of 38 institutions—ended 1999 in the red, with seven of them, the highest number ever, facing their second or more year of consecutive deficits.

An example is Taranaki Polytechnic in the provincial centre of New Plymouth. This institution, which provides trade-training courses and offers courses mainly for young working class people going into industry, has had deficits for four of the past five years. It is faced with a loss of \$1 million for 1999 following a drop in enrollments last year, and a projected deficit of \$2 to \$3 million in the wake of further reductions in student numbers in the coming year. Like Massey University, this has prompted a major staffing "review", which will inevitably lead to a job-slashing program among its teaching staff.

The lack of funding for tertiary institutions is part of a prolonged assault on public education over the last two decades by governments of all political persuasions. The fundamental problems of the education sector go back to the education reforms implemented in the late 1980s by the previous Labour Government. Under its "Tomorrow's Schools" and Post Compulsory Education and Training (PCET) initiatives, all education institutions, whether universities, polytechnics, schools or kindergartens, were set up as individual business enterprises and forced to compete for students in the education "marketplace". Their administration was devolved from government responsibility through the establishment of governing boards based on boards of directors in the private sector, which often became dominated by business interests. Roger Kerr, for example, the executive director of the right-wing lobby group the Business Roundtable, gained a position on the council of Wellington's Victoria University. Governing boards were given wide powers of financial control, hiring and firing staff, investment and fundraising, while the various heads of all educational institutions, including schools, were transformed from educators into chief executives. Funding was provided not according to need, but through a formula based on student numbers.

Since then, continuous cutbacks in government financing have forced university administrations to impose student fees and seek sponsorship from big business. After 1991, the conservative National Party government limited its funding of university running costs to a maximum of 70 percent. However, as a Canterbury University spokesman pointed out last year, in reality the government was meeting just over 50 percent of that university's budget. The end result of this process is the privatisation of education itself. Right-wing economist and newspaper commentator Gareth Morgan has recently been using his media profile to begin campaigning for the sale of Victoria University to overseas takers, in order to turn it into a profit-driven enterprise to attract foreign fee paying students.

Students and staff have borne the brunt of the austerity measures. Tuition fees, first introduced by Labour in the late 1980s, have risen steeply over the past few years. The cheapest undergraduate courses now cost at least \$3,500 per year, with more expensive courses such as

medicine and veterinary science exceeding \$8,000. As a result, tertiary education is increasingly the preserve of the wealthy elite. A study carried out by Auckland University last year showed that enrolments from the university's poorest contributing schools in South Auckland and rural Northland had fallen by 23 percent between 1994 and 1997. In contrast, enrolments from the wealthiest catchment areas increased by 25 percent. Of all the OECD countries, New Zealand has the worst record for the provision of scholarships to low and middle-income students. There are no directly funded government scholarship schemes aimed to open up access to tertiary education. Auckland University has recently established, from its own resources, a \$1 million fund to offer a limited number of such scholarships, but it has done so against a background of cuts to other areas of expenditure.

Staff workloads and working conditions have suffered significantly. Staff-student ratios have deteriorated to the point where overcrowding in lecture theatres is commonplace. In some courses, students are forced to sit on the steps or miss out altogether. The salaries of lecturers have fallen below those of secondary school teachers. Tutorials and marking are frequently undertaken by part-time and temporarily employed academics who are paid less than \$10 per hour. Yet tertiary institutions continue to face a deepening financial crisis.

The Labour-Alliance government has no plans to dismantle this system, despite its post-election proclamation that it would "close the gaps" on widening social and educational opportunity. Forthcoming budget provisions offer a 2.3 percent equivalent full-time student funding to all tertiary institutions, in return for a freeze on fee increases. Associate education Minister Steve Maharey claims that this will "turn around" the problem of increasing student fees. However, the opposite is the case. The minuscule funding increase promised by the government, worth a paltry \$30 million, will be totally inadequate to make up for freezing fees. Christchurch Polytechnic head John Scott estimates that his institution will be \$700,000 worse off, based on its 1999 budget.

Not only are the institutions failing to survive, the impact on students has been severe. With no access to living allowances, a majority of students are forced into increasing dependence on parents or on hard to find part-time employment in order to escape a demeaning hand-to-mouth existence. Foodbanks operated by the Student Councils are increasingly common. The student loan scheme, introduced seven years ago, has become the main source of funding which students have been forced to turn to in order to underwrite course costs and living expenses. Every year, more students are forced into debt.

The total level of indebtedness under the scheme is already \$3 billion. By the middle of next year, it will exceed \$4 billion and continue to rise by a billion dollars a year. Three hundred thousand students and former students now carry student loans. Two years ago the average level of debt was \$5,020 per person. It has now more than doubled to \$10,600. Some students in longer courses with high fees, such as dentistry, veterinary science and medicine, expect to accumulate debts of more than \$60,000 by the time they complete their studies.

Working class students are particularly disadvantaged by the scheme, firstly because they inevitably have to borrow more, and secondly because of the harsh and onerous repayment conditions. Repayments start when a graduate starts earning \$12,000 per year, less than half the average wage. The repayment rate is set at 10 percent of income, compared with the Australian loan scheme of between 1 and 4 percent. The loan scheme is in fact a case of state-sponsored usury, carried out at the expense of young people. This year, the government will lend about \$700 million to tertiary students, who will be required to pay commercial rates of interest. Over the next three years the total debt figure is estimated to rise to \$885 million, indicating that the scheme has become a mechanism for financially hobbling students for generations to come.

The Labour-Alliance Government, as one of its earliest measures,

decreed that interest on the debt would not start accruing until after the student had completed a course of study. Until now, interest applied as soon as the loan was taken out. While this measure was introduced with much fanfare as a major "reform" of the system, its impact will be negligible, and obscures the fundamental issues: the usurious nature of the loan system and the continued existence of the "user pays" system itself.

The junior partner in the governing coalition, the Alliance, was one party at the last election that stood on policies of scrapping fees and establishing living allowances for students. The student leadership of the Day of Action apparently has some regard for the Alliance as they have invited Alliance MPs to be present at a number of activities around the mobilisation. Any such faith, however, is entirely misplaced. The Alliance has already shown, over a long period of time, that it has no intention of implementing any of its election promises in this area.

The Alliance, a combination of three bourgeois parties led by New Labour, was established as a "left wing" safety valve by the political establishment in order to divert the struggles of workers and others against the deepening economic crisis. Since the 1996 elections it has moderated its financial and taxation policies to such an extent that it could not possibly fund the millions of dollars necessary to save the state education system and provide free education and living allowances for all students. In the event, its entire position in government has been one of complete subservience to, and compliance with, Labour's program. What this means was spelled out by Finance Minister Michael Cullen, in a keynote speech to international financial representatives in Tokyo in April. Signaling that there will be no major increases in social spending, Cullen identified the coalition government as a "financially conservative" one, and claimed that the election victory should not be interpreted as one for "radicalism". Neither of Labour's partners, the Alliance or the Greens have resiled from these comments.

The student leaders have also indicated that they will be looking to the trade unions for "wider support". A study of the record of the unions over the past 15 years will show that any "support" from this quarter would be in the form of a hanging noose, used to strangle the growing militancy among students. The privatisation program, destruction of the state sector and onslaught on jobs and working conditions would never have succeeded without the active assistance of the trade union bureaucracy. Union leaders systematically suppressed the industrial struggles of the working class in order to tie workers to the established political order.

The failure of the unions to mount any defence of the jobs and conditions of workers is apparent in the current wave of sackings among tertiary staff. Notwithstanding the "left" credentials of the president of the Association of University Staff, Jane Kelsey, this union has no perspective at all of defending a single job. Last year Auckland University moved to sack 100 staff without any opposition at all by the AUS. When the announcement at Massey University came through last week, branch spokesman Graeme Bassett made it clear that the union would co-operate with the sackings, firstly by focusing on the issue of redundancy pay, and secondly by dividing staff through proposing a claim to the Human Rights Commission to ensure that "older" teachers were not singled out for sackings.

As they take up a campaign in defence of state education, it is critical that students begin to consider what perspective and program will advance this struggle. They should not allow themselves to be diverted into the dead-end of protest politics, no matter how "radical" these might appear on the surface. No amount of appeals to the government for education reforms will resolve the fundamental issues at stake. One of the lessons that must be learned from the bitter defeats inflicted on the working class over the past 15 years, is that without an alternative political perspective, the students' movement too will be dissipated and end in disillusionment. There must be a complete break with the present Labour, Alliance and union leaderships.

The basis of such a program is the understanding that the source of attacks on state education and the social and economic rights of young people is to be found in capitalist profit system itself. The assault on education is bound up with the demands by big business to open up every sector of human endeavour to the extraction of profit. It is these demands that have driven all governments internationally in their programs of privatisation, cost-cutting and social division.

Students do not therefore face their current plight alone. Vast numbers of youth, from all walks of life, have borne the brunt of economic and social reversals over the recent period. The median annual income of young people aged 15-24 years plummeted from \$14,700 to \$8,100 over the ten-year period between 1986 and 1996. Unemployment rates for young people are higher than any other age group and higher than for previous generations of youth.

Under these circumstances, what is required is that society's priorities as a whole, which begin with the needs of international finance capital, must be completely reversed. Any perspective that seeks to accommodate itself to what is affordable, or "realistic," within the framework of the present social order, is doomed to failure. Only when students turn politically to the working class, and its most oppressed layers, and fight to develop a unified political movement armed with a socialist perspective—that is one that starts from the needs and aspirations of ordinary people, not the profits of the few—can the struggle to defend the right to education advance.



To contact the WSWS and the Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**