Australia: New education minister launches higher education "review"

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Faced with hostility from students, academics and significant layers of the population after years of savage education cutbacks, the Howard government, immediately after its re-election, elevated a relatively junior minister to the education portfolio in an attempt to find a new way to implement further "reforms".

Federal education minister Brendan Nelson, who has promoted himself as a more "in tune" figure (he only recently stopped wearing an earring) than his deeply unpopular predecessors, has launched *Higher Education at the Crossroads,* the first discussion paper in what is to be a year-long review into Australia's higher education system. The review is the third in four years.

Nelson's paper sets out various options for raising private revenue, including increasing student fees, de-regulating fees to permit the more prestigious institutions to charge far-higher amounts and introducing a voucher system that would oblige universities and technical colleges to compete for students.

The paper points to a major restructuring of the university system. At present, most of Australia's 38 public universities offer a variety of study fields. This approach, decried by the paper as "one-size fits all," would be dismantled. Instead, only a select few universities would offer a full range of disciplines, while one or two would be funded "for world-class research". The remainder, including poorer institutions in working class areas and regional universities, would offer only limited courses. To survive, they would have to develop "industry partnerships" or undertake "community services," charging consultancy fees to local companies and government bodies.

The paper also foreshadows a further offensive against the working conditions of academic staff. Staff-student ratios have fallen by 40 percent over the past decade, with 2,300 teaching positions lost since 1996 alone, leading to larger classes, greater reliance on part-time lecturers and reduced time for research and writing. But the paper lays much of the blame for the ensuing crisis on "under performing" academics and "inflexible" work practices, advocating individual work contracts and other cost-cutting measures.

Notwithstanding Nelson's claims that the paper is not government policy and is intended merely to generate public discussion, its proposals extend the agenda of "user-pays" and commercialisation pursued by both the Howard government and its Labor Party forerunners over the past two decades. "Universities need to recognise that they too are businesses," the paper insists.

While portraying himself as more consultative and open to debate, Nelson is pursuing the same program as his predecessor David Kemp. Kemp made a cabinet submission in October 1999 calling for fee deregulation, a voucher system and the replacement of the existing Higher Education Contribution Scheme (HECS)—a government-subsidised student loan fund—with a loans scheme charging market rates.

Kemp's blueprint, based on the West report, which was commissioned by the government in 1997, was leaked to the media and provoked widespread opposition from students and academics. With an eye to his government's then poor electoral prospects, Prime Minister John Howard disowned the plan, shelving it until after the 2001 election.

Nelson has been given the task of resuscitating Kemp's plans, under the guise of undertaking a fresh review. An *Australian Financial Review* editorial welcomed his discussion paper, commenting: "Dr Nelson is showing a defter grasp of the tricky politics of university funding than his predecessor David Kemp."

Sections of the Australian establishment have spurred the government on, concerned that after years of funding cuts by both Labor and Liberal administrations, run-down universities and research institutions are less able to compete on the world market to attract leading researchers or corporate research investment, particularly in high-technology industries.

Furthermore, they fear that the deteriorating position of Australia's universities threatens a leading source of export earnings. The higher education sector now attracts overseas student fee revenue worth $3.5 billion annually, according to a report published last October in the *Sydney Morning Herald.*

In the lead up to last November's federal election, media mogul Rupert Murdoch publicly warned that without urgent government attention to higher education, Australia was "threatened with global irrelevance". His newspapers, notably the *Australian*, have been in the forefront of pushing for a market-driven restructuring of education.

On the day that Nelson announced his review, Reserve Bank governor Ian Macfarlane called for a fundamental overhaul of universities. He bluntly declared that egalitarian notions must be abandoned. Any solution to the higher education crisis would "almost certainly involve the overthrow of long held conventions that attempt to impose uniformity. It will probably also elicit the old catch-cry of elitism but far better that than the complacency which accepts that our higher education can slip further behind the

world's best standard."

Nelson is being aided by the suddenly discovered claim, widely publicised in the media, that Australia has no universities in the world's "top 100". Editorials have condemned the present university system for imposing a "crushing mediocrity" (*Australian Financial Review)* or "a dispiriting sameness" (*Australian).*

Nelson's own view, expressed repeatedly since he took office last November, is that fewer students should go to university and more should attend technical colleges or learn trades. He has encouraged young people to lower their aspirations and seek low-paid apprenticeships or other forms of vocational training. This year, funding cuts have already meant that 54,000 eligible students missed out on university places.

Australia's higher education system has always favoured the wealthy. For a limited period in the 1970s and early 1980s, the abolition of fees held out the promise of wider access. However, this proved very short-lived. The Hawke government reintroduced undergraduate fees in 1987 under the HECS plan, beginning a drive by successive governments to force the universities to rely increasingly upon fees and business income. Soon after the Howard government took office in 1996, it slashed more than $600 million from the higher education budget, the largest cut in history.

While the federal government once met 90 percent of university funding costs, it now contributes less than half—45 percent. This has led to blatant discrimination in favour of those with the means to pay. In one reported instance, a full fee paying student was able to commence an Arts degree at the University of New South Wales with a university entry score of 72, while a HECS student needed 91.90.

The cost of university education has soared, with students facing total bills—fees, books and living expenses—of between $54,000 and $130,000 for their degrees. The impact has been worsened by cuts to the federal government student allowance scheme, now 37 percent below the poverty line, and by the Goods and Services Tax on books and other essential items.

One recent study found that lack of income prevented students from visiting doctors and dentists. Many were struggling to fund transport and other living expenses. Others were sacrificing classes to attend part-time jobs and falling asleep in lectures after working long hours. Seven in ten full-time undergraduate students were working, at an average of 14.5 hours a week, treble the average of the mid-1980s.

"When students attend classes exhausted by their employment, when students can hardly sat awake after stocking the shelves of the local supermarket, the value of their education experience is dubious," noted the study's author, Associate Professor Judith Bessant.

At the same time, classes are overcrowded, with reports of tutorials of up to 90 students. Entire academic departments have been closed down, staffing levels cut and the range of courses pared back. A Senate review conducted into higher education last year reported, for example, a 29 percent reduction in the number of physics teachers nationally since 1994, despite little change in student enrolments.

The Howard government is cynically exploiting this crisis—for which its own policies are directly responsible—not only to implement a sweeping restructure of higher education, but also to address growing criticisms of the decline in educational standards. Its plan is to promote a few of the more prestigious campuses, whose traditions of high academic achievement have been increasingly compromised, as "world class" centres of excellence. These will offer a wide range of subject choices to a small, privileged elite. The rest, the vast majority, will suffer continuing cuts, eventually offering little more than vocational and business courses for middle and working class students.

To implement such a plan the government first had to get rid of Kemp—a figure associated with the far right of the Liberal government—and replace him with Nelson, a member of the party's more "liberal" wing. The real nature of the new minister, however, emerged in last month's federal budget. Nelson rejected calls from university vice-chancellors, and the staff and students' union, for an urgent funding increase of $1 billion, ruling out any financial relief until "reforms" were implemented.

Significantly, the 22-member reference group appointed by Nelson to guide the review is heavily weighted in favour of the "Group of Eight," representing the elite universities. In addition, its corporate members include representatives from the main employer groups, the Business Council of Australia, the Australian Chamber of Commerce and Industry and the Australian Industry Group, and two prominent business figures, mining magnate Robert Champion de Crespigny and Peter Mason, chairman of J P Morgan, the investment bankers. By contrast, the student and staff unions have been excluded.

Not surprisingly, Nelson's document was greeted with some enthusiasm by the "Group of Eight" vice-chancellors. Murdoch's *Australian* also welcomed it, calling for a halt to "pretending we can have prestigious full-service institutions of higher learning dotted widely around this vast nation".

For its part, the Labor Party has criticised the plan as a "blueprint for increasing fees for students and reducing university places" and called for extra funding to ensure "global competitiveness". Both the National Tertiary Education Union and the National Union of Students have made similar criticisms. But none have disagreed with the underlying corporate agenda, reflected in Labor's call for global competitiveness. Moreover, every "reform" implemented during the past 15 years has been imposed with the collaboration of the staff and student unions.