

New Zealand universities move to cut admissions

Tom Peters
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Thousands of would-be students will be turned away next semester, after announcements this month that at least four of New Zealand's eight universities will drastically restrict admissions. Victoria University of Wellington (VUW), the University of Auckland, the University of Otago and Auckland University of Technology (AUT) have confirmed that they will let in far fewer domestic undergraduates than last year, while Waikato University and Massey University are reportedly considering similar measures.

The crackdown on student numbers is a response to a freeze in government funding for tertiary education, coupled with an unprecedented surge in enrolments due to increased unemployment over the past two years. As the National Party government moves to intensify its austerity measures, forcing the working class to pay for the economic downturn through a series of deep spending cuts, tertiary education is becoming inaccessible for a large proportion of the population.

Last year, the government announced that from 2011 it will withdraw \$NZ500 million (\$US337 million) in inflation-linked funding increases from the tertiary sector, including its \$22.4 million annual contribution to university staff salary increases. At a conference last September, Tertiary Education Commission chief executive Roy Sharp spelled out the government's agenda: "We have an economic environment now where things are changing. Now we want good performance and good results in the tertiary sector, rather than increasing access to it."

Under funding rules imposed by the former Labour government in 2008, tertiary institutions negotiate a total number of equivalent full-time student (EFTS) places, which are partially subsidised by the government and partly paid by student fees. International students do not fall under the cap, but are forced to pay even higher, unsubsidised fees. Since the onset of the recession, many institutions have exceeded their EFTS cap, with universities carrying a total of around 4,100 unsubsidised students last year. They have responded by raising fees and levies and introducing more stringent entry criteria. Now, these measures are being escalated.

The University of Otago council voted on May 11 to cap enrolments in 20 undergraduate and sub-degree programs from next semester. Otago vice-chancellor Professor David Skegg

told reporters that the university was currently carrying up to 650 more domestic students than it was subsidised for under the EFTS scheme.

At the same meeting, the council voted to close the entire Design Studies Department, affecting around 200 students and 20 staff. When the move to axe the department was discussed during a closed meeting of the university senate on April 28, around 300 students, staff and their supporters protested outside. Skegg contemptuously dismissed the opposition, declaring: "I don't think anyone is pretending the university is a democracy."

The university is also considering cuts to the Department of Social Work and Community Development, the Departments of Accountancy and Business Law, and Finance and Quantitative Analysis, the College of Education, and the university's human resources and payroll departments.

At Victoria University of Wellington (VUW), an "emergency meeting" of the university council on May 12 voted to suspend all new domestic undergraduate enrolments for the rest of the year. The university estimates that it will reject around 1,550 applicants over the next two trimesters. It justified the decision by saying that to accept them would put VUW's student numbers 10 percent above the maximum 15,711 subsidised places. VUW has further tightened academic entry criteria for its 2011 admissions.

Derek McCormack, vice-chancellor of Auckland University of Technology (AUT), told TVNZ that his university's enrolments had surged by 25 percent in 2009 and a further 25 percent this year, and "most courses will have no places for new students in the second semester". Around 1,500 are expected to be turned away.

Auckland University introduced caps on undergraduate enrolments from the start of 2009 in several departments, including arts, law, education and sciences. Canterbury University has not announced a similar cap, but will conduct a review of spending next month. It has signalled that it may cut up to 80 non-academic staff.

None of these cutbacks has faced any serious opposition from the organisations that nominally represent students. David Do, co-president of the New Zealand Union of Students Associations, complained that students at Otago and VUW

were not “given proper notice” about the cutback to enrolments, and meekly called on the government to increase its education spending—something it has repeatedly stressed it has no intention of doing.

VUW Students Association president Max Hardy reported that its representatives on the university council had voted for the decision to cap enrolments to be “deferred” until the university could present “solid evidence to demonstrate that this was a necessary move”. The Otago University Students Association cast its council vote in favour of the caps. OUSA president Harriet Geoghegan stated: “It’s unfortunate that we have to, but if we don’t we are at risk of having more students than we can afford to in 2010, which stretches resources.” In short, both associations support slashing student admissions to protect the profitability of their respective universities.

Meanwhile, the government is preparing a new round of attacks, including restricting the availability of student loans. The first semester has seen a 20 percent surge in the uptake of loans, with youth hit by the economic crisis and rising unemployment. Official unemployment for 15- to 24 year-olds stands at 17.2 percent.

In its May 20 budget, the government announced new “performance-based” criteria for the loans, which will bar access to failing students. New immigrants will face a two-year waiting period after being granted permanent residency before they can apply for loans. A new “lifetime limit” will restrict access to loans to a maximum of seven years for undergraduate study. While student loans were made interest-free in 2005 as an election ploy by the then-Labour government, students and graduates will face new annual loan administration fees of \$40 and \$60.

In March, Tertiary Education Minister Steven Joyce instructed the New Zealand Qualifications Authority to review its long-standing policy of “open entry” for people over 20 who do not have a University Entrance qualification. The corporate media has long pushed for the policy to be ditched, a move which would put higher education beyond the reach of an even greater proportion of the working class. The New Zealand Herald’s editorial on March 9 declared: “The principle of ‘open entry’, the idea that everyone has a right to attend university, has always been peculiar... Nothing can be sacred, tertiary education is too costly to be an unemployment sump and too important. More public funds should be restricted to students who succeed.”

Direct funding for universities and polytechs is also set to become more performance-based. In March, Joyce announced that 5 to 10 percent of funding could be linked to dropout rates and student performance. He said this policy would “encourage institutions to provide more support for their students and achieve better results for individual students and the country”. In fact, the move is designed to further starve funding for institutions with the largest numbers of poor and working class students. The ruling elite, in New Zealand as in every other

country, has no interest in educating sections of the population destined for low-wage labour or perpetual unemployment.

While posturing as opponents of the latest funding cuts, the opposition Labour Party has no principled objection to any of these attacks. It was a Labour government that repudiated free education and imposed the first flat-rate fees for students in 1989, overseen by then-Associate Education Minister Phil Goff, Labour’s current leader. Over the ensuing two decades, fees continued to increase under both Labour and National governments, while living conditions greatly deteriorated for students and young people.

A recent Statistics New Zealand analysis of census data, *Young people 1986-2006: Study, work and income*, shows that real median income for 15- to 24-year-olds dropped from \$18,900 in 1986 to just \$11,500 by 2006. Statistics NZ spokesman Conal Smith told the media that a greater proportion of students were neither working nor getting a student allowance. The report also found that the number of people aged 20 to 24 who received no income trebled between 1996 and 2006.

With the onset of the global economic crisis, the situation has become much worse. Ministry of Social Development figures show that the number of students receiving a special Student Hardship benefit was 65 percent higher in December 2009 than a year earlier.

A struggle must be launched in universities and polytechs to oppose the unrelenting attacks on students and on the working class as a whole. Students and young people must raise the demand for free, accessible, high quality education, and decent living standards for all. The struggle for these basic rights cannot be advanced either through the student unions, which have integrated themselves into the university structures, or through any of the established political parties. It requires the building of an independent and socialist political movement of the working class as part of an international struggle against the capitalist profit system itself. This is the program of the International Students for Social Equality (ISSE).

Attend the ISSE meeting at Victoria University Wellington

The social crisis facing students: For a working class movement to defend education

Friday May 28, 3.30 p.m.

Meeting Room 1, Student Union Building



To contact the WSWS and the Socialist Equality Party visit:

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