

Australian Labor government “education revolution” leads to Macquarie University job cuts

Our reporters
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Macquarie University in Sydney has angered staff and students by announcing a 7 percent reduction in the funds allocated to faculties for teaching undergraduate students in 2011. Hardest hit by the cuts is the Faculty of Science. Staff there were told last week that the faculty must find savings of \$2.87 million. Science departments with the biggest shortfalls have been instructed to find the savings by cutting academic staff. Tenured research and teaching staff face redundancies, with an estimated 18 positions threatened across the faculty.

The cuts at Macquarie are part of a wider funding crisis throughout the tertiary education sector, which confronts the consequences of decades of underfunding, compounded by the impact of the global financial crisis. Pro-market policies initiated under the Hawke-Keating Labor government in the 1980s, including the introduction of student fees, were stepped up by the Howard conservative government and have been accelerated under Rudd and Gillard.

Last year, as part of its “education revolution,” the Labor government unveiled sweeping changes to university funding, introducing what is essentially a student voucher system. From 2012, domestic undergraduate student places will be completely de-regulated and universities will be funded only for the number of students they enrol each year. In positioning themselves for this new regime, many universities have substantially increased their enrolments in high demand courses, while cutting those that do not attract a profitable number of students.

The funding cuts at Macquarie are an inevitable outcome of this market approach to education, which

forces universities to compete with each other for enrolments in the most money-making courses, tailor their teaching programs to the needs of employers, and seek alternative sources of revenue, including from international student fees.

Similar funding cuts were announced last month at the University of Western Australia (UWA), where the Faculty of Engineering, Computing and Mathematics was advised it must cut its research and teaching academic staff numbers to find savings of \$4.5 million. Targeted at both universities are “small unviable” units and teaching programs—in other words, courses that are not attracting enough students to survive under a market-driven and funded approach to education.

Adding to the pressure on universities is a sharp decline in overseas students, on whose enrolments many institutions have become dependent. Last month Monash University, Australia’s largest, announced it intended to save \$45 million from its salary bill and reduce staff by approximately 300. Monash Vice Chancellor Ed Byrne blamed falling international student numbers. At Macquarie University, fees from international students account for approximately 29 percent of income, compared to a sector-wide figure of about 16 percent.

In addition, Macquarie, like many Australian universities, has sought to offset the decline in government funding by branching out into high-risk private ventures, recently issuing bonds to cover an \$118 million debt it incurred building a private hospital at its North Ryde campus.

While recording a small operating surplus last year of \$61 million (Monash’s surplus was \$133 million and UWA’s \$52 million), Macquarie is using the funding

cuts to try to shore up its position under increasingly dire global financial conditions—forcing staff to pay with their jobs and conditions.

At Macquarie, and all other universities, the main trade union, the National Tertiary Education Union (NTEU) has politically backed the Labor government, and opposed any unified struggle against its funding “revolution”. Instead, during the past year, the union has diverted its members into isolated industrial action at individual universities over enterprise bargaining agreements. These agreements have been designed, essentially, to deliver to each university management, in return for marginal pay rises, greater flexibility to use short-term employment contracts to allow for the anticipated sharp fluctuations in student numbers and government funding.

Staff at a Faculty of Science meeting at Macquarie last week expressed anger and hostility toward the university management at the announcement of the cuts. At an NTEU meeting held later that day, staff adopted the following motion proposed by Socialist Equality Party member Carolyn Kennett.

“This meeting of staff of Macquarie University rejects the cuts to faculty and department budgets. We reject the position that staff and students should have to pay for any funding crisis by the loss of jobs, conditions or educational opportunities. We call for a meeting on Thursday 18 November of all academic and general staff, both union and non-union members, to discuss and plan out an industrial and political campaign against the cuts at Macquarie and appeal to all staff across the university sector.”

The union responded by moving to block any genuine struggle against the cuts. It called a union meeting at very short notice, on Monday this week, where union representatives diverted the fight against redundancies into the NTEU’s long-standing campaign to negotiate a new enterprise agreement (EBA) with management.

At Monday’s meeting, the union made clear it was prepared to accept staffing cuts. Union proposals included making a new claim in enterprise bargaining for a mere six-month moratorium on retrenchments and that “retrenchments on financial grounds would only be made in the circumstance of a real financial crisis at the institutional level”. SEP member Chris Gordon opposed these concessions, calling for the unequivocal defence of all jobs. He explained that university

workers were not responsible for the under-funding of universities, and pointed out that the university could assert a “financial crisis” at any time.

In an act designed to suppress discussion, the union prevented Gordon from moving the resolution adopted the previous week. Gordon warned the meeting: “The perspective of the NTEU is to make an accommodation with the cuts, and to oversee their implementation as part of the next EBA. This is the significance of putting into the EBA the reference to no redundancies until June 2011. We need to oppose this and advance a principled position: No Cuts. No job losses. No negotiation. We should reject the 7 percent faculty cuts and turn out to win support from fellow staff and students.”

The NTEU has portrayed the issue as one of bad management practices. Pointing to Macquarie’s \$61 million operating surplus, the union has advanced a series of dead-end proposals, including lobbying university management to rethink the allocation of funds to the faculties. In reality, the funding crisis at Macquarie is the end product of the subordination of all universities to a financial and corporate agenda. A substantial operating surplus may mean little in the face of falling fee revenue and the drying up of private equity investment.

At Macquarie and elsewhere a political struggle must be taken up against the NTEU and the Labor government’s pro-business agenda. The struggle must tackle the problem at its root—the profit system—which subordinates every aspect of education, as well as social and cultural life, to the dictates of the market. A determined stand by Macquarie staff against the cuts to faculty budgets and staffing would win support among students and staff across the tertiary sector and more broadly throughout the working class.



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