

Australian government pushes ahead with university restructuring

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Despite intense opposition among students and university staff to its measures, first unveiled in the May budget, the Abbott government is introducing legislation this week to deepen the pro-market assault on higher education begun by the previous Labor government.

The bill is being tabled in the House of Representatives today, and will quickly be referred to the Senate, where Education Minister Christopher Pyne claims he is confident of winning support for the thrust of the government's "reforms."

For weeks, Pyne has been conducting backroom discussions with cross-bench senators and university officials to seek deals to impose the bulk of the measures, perhaps with minor amendments. This week, the talks included Greens Senator Lee Rhiannon.

Pyne told Network Ten's Andrew Bolt last weekend he was making "great progress." He added: "I'm even meeting with the Greens this week, to talk to them about how we might be able to come to some arrangement about these reforms, because they're really, really important."

Pyne issued an ultimatum, threatening to cut university research funding if the package was blocked. "And I think the university sector gets that, and I want to work with the crossbenchers to make sure that we all understand the high stakes that we are playing for."

The higher education package is at the centre of the budget's wholesale attack on the social conditions of the working class, which includes the imposition of upfront co-payments to see doctors and stripping of welfare benefits from the young unemployed for six months at a time.

The university measures include deregulating student tuition fees, and putting interest charges on student fee debts and loans, with the combined effect of imposing

massive debts on students. Modelling by Universities Australia predicts that the student debt for an engineering degree will increase from \$37,000 to approximately \$60,000. Medicine and law degrees are predicted to cost \$200,000, when interest is factored in. With interest charges set at the 10-year bond rate of 6 percent an engineering graduate could take 25 years to pay off the debt.

The plans also cut university base funding for teaching by an average of 20 percent. In engineering and science, for example, universities will lose nearly \$5,000 per student. Universities with greater proportions of students on partially government-funded places will be hit harder than those that already have many students paying full fees, or with large overseas student enrolments.

The package further opens the door for low-cost private colleges to undercut the public universities by grabbing lucrative slices of the higher education "marketplace" established by the previous Labor government. These commercial operators invariably employ casual or fixed-term teachers, and conduct no research.

Many university vice-chancellors, especially those from the Group of Eight so-called elite universities, are backing the plan to deregulate student fees, counting on ratcheting up fees to cover the 20 percent funding cut. The impact will be devastating for students, and for universities where working class students cannot afford higher fees and debts. Wollongong University, for one, will lose \$95.8 million in funding between 2016 and 2019.

One result will be a blatant two-tier system of tertiary education. Universities able to charge exorbitant fees can offer decent courses, while universities charging lower fees will be forced to offer mass-produced

courses aligned with narrow business interests.

The government is only able to push ahead because of the role of the tertiary education and student unions in peddling illusions that Labor, the Greens and the right-wing populist Palmer United Party (PUP) of mining magnate Clive Palmer will fight the measures and force the government to make concessions.

Labor and the Greens pushed the main budget appropriation bills through the Senate in June, including deep cuts to education and health funding. However, in order to retain some public credibility, Labor and the Greens, together with the PUP, are posturing as opponents of some of the remaining key measures that require separate legislation, such as the higher education bill.

In reality, universities are already launching a new wave of job cuts in preparation for the restructuring. This includes 350 jobs at La Trobe University, 540 at the University of Melbourne and more than 150 at the University of Sydney.

The unions are working to channel the opposition of students, academics and university workers back into the parliamentary arena, precisely where all the backroom deals are being prepared, and behind the perspective of returning another Greens-backed Labor government.

Protest rallies called by the National Union of Students, and backed by the National Tertiary Education Union (NTEU), the main university trade union, have promoted Greens parliamentarians, who have called on Labor and Clive Palmer's party to "stand together" to block fee deregulation.

In recent weeks, the NTEU has hailed the Labor Party for launching a "campaign against Tony Abbott's unfair university changes." NTEU national president Jeannie Rea joined Labor leader Bill Shorten for the campaign launch at Melbourne University and the NTEU urged its members to attend campaign events at other campuses.

NTEU members have seen this before. The union worked for the election of the Labor government in 2007, claiming it would produce a new era for higher education. In reality, Labor's "education revolution," spearheaded by Julia Gillard, laid the foundations of the Abbott Liberal-National government's policies.

Gillard's scheme scrapped block funding for universities, forcing them to fight each other for student

enrolments in order to survive, particularly in the most profitable courses—usually those oriented directly to the requirements of corporate employers. Student numbers rose significantly, but without the necessary increase in funding, leading to hundreds of job losses, larger classes, heavier workloads for staff and greater reliance on underpaid casual teachers.

On top of that, in 2013, the Labor government, then resting on the parliamentary votes of the Greens to remain in office, unveiled \$2.3 billion in cuts to university funding. Despite their fraudulent claims to "have always stood up for education," the Greens voted for each of Labor's budgets.

The NTEU, which collaborated with the previous Labor government, has no principled differences with the market agenda being pursued by the Abbott government. The union leadership's only concern is to maintain its position within the higher education system, where it has helped impose this program via separate enterprise bargaining agreements at each university.

What underpins the perspective of the NTEU is to make universities more "productive" and "internationally competitive." This means that education is being increasingly dominated by the interests of big business, as opposed to being a basic social right for all young people.



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