

New Zealand election: The fraud of Labour’s “free education” policy

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One of the New Zealand Labour Party’s main promises for this Saturday’s national election, printed on flyers sent to homes throughout the country, is to “introduce three years’ free university or trade education.”

Like all the party’s promises to reduce poverty and social inequality, its education policy is highly deceptive. Labour leader Jacinda Ardern told the *Australian* newspaper on September 8: “I believe in free education but I know we can’t afford that right now.” She described three years’ free study as an “aspiration.”

While attempting to appeal to widespread opposition to the National Party government’s drastic austerity measures imposed since the 2008 financial crisis, the Labour Party and the Greens have reassured big business that, if elected, they will continue National’s spending restrictions and preparations for war.

The Labour Party’s flyer does not explain that it would remove student fees for only one year of post-secondary study, starting next year. Its web site says it would fund another free year in 2021 and a third in 2024. In other words, “three years’ free” education would be implemented only after two more elections, making the promise worthless. There is ample time between now and 2024 for Labour to scrap the policy as “no longer affordable.”

The one year of “free” education would apply only to students who start their courses in 2018 or later. Hundreds of thousands of current, former and returning students, as well as foreign students, would get nothing. Moreover, new domestic students would still have to pay for textbooks and other course-related costs.

The Labour Party proposes a small increase in student allowances, from \$170 to \$220 a week, not enough to pay for accommodation and living costs in the main

cities. These payments are available only to a small minority of students from low-income families. Eligibility criteria, tightened in recent years, would remain. In 2015, only 17.8 percent of students received the allowance, down from 21 percent in 2011.

A mountain of student debt, accumulated under successive Labour and National Party governments, will continue to expand, regardless of who wins the election. Most universities and other institutions routinely increase their fees each year by around 5 percent to compensate for repeated government spending cuts.

The 1980s Labour government of David Lange introduced the first tertiary education fees in 1989. A National Party government scrapped universal student allowances and introduced means-testing in 1991.

The 1999–2008 Labour government, which had promised to relieve the burden on students, provoked nationwide protests in 2000 as fees continued to rise. Despite Labour’s removal of interest on student loans—a ploy to win the 2005 election—by 2008, total debt had reached \$10 billion. This year, debt soared above \$15 billion, owed by more than 700,000 people. More than 100,000 people have defaulted on their loans and last year the government began arresting people at the border who had not made repayments.

A recent OECD report noted that New Zealand had the seventh-highest fees of 35 developed countries, and government funding provided only half of tertiary institutions’ income in 2014. Fees are around \$NZ6,000 a year for a bachelor’s degree, but students in medicine, law and other advanced courses can accumulate debts of up to \$100,000 or even higher.

Students face growing poverty and distress. A survey of 2,000 Unitec students in Auckland, released in May, found 17 percent “regularly go without food or other

necessities" and 55 percent were unable to afford basic needs at some point in the previous 12 months. This situation is the outcome of attacks by Labour and National governments. Real median incomes for people aged under 25 plummeted between 1986 and 2006, from \$18,900 to just \$11,500.

The Tertiary Education Union (TEU) has falsely portrayed Labour's election policy as "a credible and popular alternative to the clear failings of National's market-based approach to tertiary education." The union has a long history of suppressing resistance to pro-market restructuring by successive governments.

The TEU's predecessor, the Association of University Staff (AUS), worked closely with the 1999–2008 Labour government to suppress resistance by university workers. When 79 percent of union members voted for a nationwide strike in April 2004 for better wages and more government funding, the AUS cancelled the industrial action and negotiated minimal pay rises, of about 4 percent, that were acceptable to the universities and the government. By 2006–2007, NZ academics' salaries were still 44 percent lower than those in Australia and 14 percent below their British counterparts.

Under National since 2008, the TEU has refused to organise a nationwide industrial campaign against course- and job-cutting throughout the country, including 300 redundancies last year at Unitec in Auckland, and an announcement in July of 182 full time equivalent job cuts at Dunedin's University of Otago. University entrance requirements also have been tightened, barring many students from working-class backgrounds.

These attacks would continue under Labour. In an attempt to whip up nationalism and scapegoat foreigners for the social crisis, the party is calling for immigration to be cut by up to 30,000 per year, or 40 percent. Backed by the trade unions, Labour has called for tighter restrictions on student visas and for foreign students in some courses to be banned from working in New Zealand during and after study. Announcing the policy in June, then-Labour leader Andrew Little echoed the viciously anti-Asian NZ First Party's claim that foreigners were using study as "a backdoor entry" to residency.

Foreign students currently make up about 15 percent of the student population and they are charged even

higher, unsubsidised fees. To compensate for reduced numbers of foreign students, universities and polytechs will further increase their fees and rely more heavily on private investment.

Whatever party wins the election on Saturday, students will quickly come into conflict with the new government and the education unions, as they continue to slash education and impose austerity on young people. To fight back, students will need to oppose every party of the political establishment and adopt a socialist perspective.

The demand must be raised for tens of billions of dollars to fund free, publicly-owned and accessible education for all, regardless of nationality or race. We appeal to students who agree with this perspective to form branches of the International Youth and Students for Social Equality, the youth movement of the Socialist Equality Group and the International Committee of the Fourth International, in universities, polytechs and high schools.

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