

University of Newcastle annual report highlights pro-business restructuring of Australian campuses

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The University of Newcastle (UoN), located in the industrial city north of Sydney, recently released its 2020 Annual Report. The document points to how the governments and managements are exploiting the COVID-19 pandemic to accelerate the corporate restructuring of higher education, accompanied by an unprecedented assault on jobs and conditions for staff and students.

The report states that in order for the university to keep afloat, due to the impact of the pandemic, “we recognised that fundamental changes to our operating model would be needed to ensure our long-term financial sustainability.”

The “fundamental changes” had the aim of “reorientating courses to employer needs.” That is, the university must be entirely reconfigured to satisfy the narrow employment and profit dictates of business, at the expense of genuine education, which requires the development of critical thought, historical understanding and scholarly and scientific knowledge.

This is in line with the current federal Liberal-National Coalition government’s demands that universities “embed Work Integrated Learning into every degree,” so that students become “life-ready graduates.” In fact, the government has tied funding to the production of “job-ready” students.

This offensive deepens the pro-market restructuring of Australian universities embedded by the previous Labor Party government. Its “education revolution” forced universities to compete with each other to recruit students into such courses, while slashing funding per-student. Starved of resources, universities became dependent on charging international students exorbitant fees—a revenue source that has been crippled by the

pandemic.

Securing “long-term financial sustainability” has meant the announced destruction of 150 full-time equivalent (FTE) academic positions and 64 FTE professional positions across the university. Of those jobs, 52 percent and 42 percent respectively were already vacant as of June, or set to become so later this year, through an early retirement scheme and the ending of fixed-term contracts.

Academics and staff are being forced to compete for a limited number of “new” job positions, in a “spill and fill” process, amounting to 92.8 FTE academic staff jobs and 61.2 FTE professional staff jobs. This follows the consolidation of five faculties into three colleges, cutting or amalgamating approximately 530 of the university’s 2,200 courses.

The report states that the Early Retirement Scheme was established to “reduce financial pressure and help renew the University’s workforce.” In plain language that means hiring or rehiring staff on lower wages. A total of 97 staff members reportedly chose to retire.

In 2020, the management undertook a “payroll remediation program” to rectify underpayments of approximately \$6.6 million in wages to casual staff and overtime from the past six years. While the management was thus responsible for substantial wage theft, executive salaries mushroomed, reflecting the increasing transformation of universities into corporate operations. Most notably, Vice Chancellor Alex Zelinsky’s remuneration package was \$868,533 in 2020, up from \$850,422 in 2019. The vice chancellor’s package was \$597,000 in 2012, so it rose by almost 50 percent in eight years.

The report also highlights the greater subordination of

the university sector and research to the military and geopolitical agendas of the ruling class. A Law School professor was awarded a Fulbright Professional Scholarship in “Australian-American Alliance Studies, hosted at the University of Texas,” to conduct researching “investigating the changing political dynamics in the Asia-Pacific region, and the impact they are having on the relations between Australia and the United States.”

The United States Consul General for New South Wales and Queensland, Sharon Hudson Dean, visited the university last December, touring science and technology hubs and innovation centres, the Advanced Technology Centre, I2N Hub at Williamtown, Newcastle Institute for Energy and Resources and the Hunter Medical Research Institute.

According to the report, “the Consul General recognised the potential to expand the already strong collaborative relationships between the US and Australia.” The visit underscores the growing militarisation of the university sector, bound up with the US-led preparations for war with China.

None of this could happen without the complicity of the student unions and the trade unions covering university workers—the National Tertiary Education Union (NTEU) and the Community and Public Sector Union (CPSU). They have opposed any unified struggle against the restructuring and the assault on jobs, courses and conditions.

The report states that the management “entered into negotiations with the NTEU and CPSU seeking to vary its Enterprise Agreements to support its response to COVID-19.” Even though, “ultimately, the negotiations were unsuccessful,” the “University responded to the implications of the global COVID-19 pandemic through flexibly deploying its existing employment framework.”

In other words, the management was able to achieve its cost-cutting through the existing union enterprise agreements. Despite this, the NTEU is trying to convince staff members that they can defend what remains of their jobs and conditions through new versions of such agreements.

A July 22 email from NTEU branch president Dan Conway stated: “[W]hile we can’t control the often-unjustifiable decisions that management make, we can have some control over our working conditions and

now is the time to work together to exercise that control.”

In reality, none of the cuts are justifiable. They represent the dictates of the governments and the corporate elite they serve. The NTEU is making it plain that it rejects any fight against these decisions. Instead, it will continue to enforce the enterprise bargaining regime.

This regime, first introduced by the Keating Labor government and the Australian Council of Trade Unions (ACTU) in the 1990s, and reinforced by the Rudd Labor government’s Fair Work Act in 2009, splits workers into isolated workplaces and ties them to the profit requirements of “their” employers, while prohibiting all industrial action outside authorised “bargaining periods.”

The International Youth and Students for Social Equality (IYSSE) club at the University of Newcastle is the sole political tendency on campus opposing the subordination of the universities to the military and big business and fighting to mobilise students and staff against the union-enforced cuts and restructure. To get involved with the IYSSE, please contact us.



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