Australian university union hails Labor's cost-cutting budget

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The National Tertiary Education Union (NTEU), the main trade union covering Australia's tertiary education workers, praised the Albanese Labor government's recent first budget, even though it cements a $10 billion cut to university funding over the past decade.

More broadly, the budget is predicated on the greatest attack on working-class living standards since World War II, driven by sky-rocketing food, fuel and energy prices, soaring mortgage interest rates, and continued real wage cuts, while pouring billions more dollars into the military in preparation for catastrophic US-led wars.

The NTEU's support for the budget is a warning that this union apparatus, like all the others, will intensify its efforts to impose this agenda. That includes trying to push through enterprise agreements at individual universities and colleges that impose pay deals far below inflation and facilitate further pro-business restructuring.

In a mass email to members, the national NTEU leadership claimed: "The Albanese Government has made a good start to rolling back a decade of Federal Government neglect of higher education. These are welcome first steps in fixing some of the problems created by the previous Government."

This claim is false and misleading on many levels.

First, the budget allocates just $485.5 million over four years from 2022–23 to finance 20,000 additional places at universities and other higher education providers. That is a far cry from Labor's 2019 election promise, itself inadequate, to step up university funding by $10 billion over 10 years.

According to the budget papers, higher education expenditure is expected to decrease by more than 9 percent in real terms from 2021–22 to 2024–25. Without even taking inflation into account, spending on the Commonwealth Grants Scheme, which funds undergraduate and some masters degree courses, will fall from $7.6 billion in 2021–22 to $7.3 billion in 2022-23.

Second, the extra places are tied to vocational courses designed to funnel students into "skills shortages" areas identified by the government and employers, with the lion's share going to teacher education, followed by nursing, IT, health professions such as pharmacy and health science, and engineering. Universities have had to tender—i.e., compete—for the funding. This is Labor's version of the "Job Ready" and "micro-credentialling" courses initiated by the previous Liberal-National Coalition government.

Third, the "problems" dominating higher education are the product of the last Labor governments, those of Rudd and Gillard from 2007 to 2013. Propped up by the Greens, those governments imposed a pro-business "education revolution."

As part of this "revolution," Labor's "demand-driven" funding system forced universities to compete for enrolments, primarily by offering vocational courses, while cutting funding by $3 billion in 2012–13. This drove institutions to rely on under-paid and insecure casual staff—now two-thirds of the workforce—and become increasingly dependent on milking full-fee paying international students.

That market regime was retained by the subsequent Coalition government. It helped the government and university managements to exploit the COVID pandemic to cut a devastating swathe through jobs and courses from 2020 onward.

Labor's budget will ratchet up the transformation of higher education along corporate lines to satisfy the demands of the big business. It sets aside $2.7 million over two years to underwrite an "Australian Universities Accord."

The NTEU email reiterated its eagerness to collaborate in this process, joining hands with government, Coalition, management and business leaders. "We will be active in shaping" this review, it said.

Labor's "accord" plan was announced in August 2021 by Labor's then shadow education minister Tanya Plibersek at an *Australian Financial Review* Higher Education Conference, an elite business gathering. Plibersek proposed to "make university reform stick" in the interests of "national prosperity."

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The NTEU email held out the illusion that the government could be cajoled into providing better funding. After dressing up the budget as a "good start," it stated: "However, with $10 billion stripped from public higher education and the disappointing Jobs Ready Graduate changes, we need to keep up the pressure on the Labor Government to deliver for our sector."

More than a decade ago, the NTEU advanced a similar perspective following the election of the Rudd-Gillard Labor government, which it claimed would deliver a new progressive era of higher education after 11 years of Liberal-National cutbacks. "The union looks forward to working with the new government to flesh out what the 'Education Revolution' means for universities," the NTEU said at the time.

The result was disastrous. As the NTEU admitted in a 2021 budget submission: "Since the introduction of the Demand Driven System (DDS) by the Rudd/Gillard government, both sides of politics have tried to achieve substantial budgetary savings by targeting higher education.

"In 2013 (only one year after DDS was fully implemented) the ALP [Australian Labor Party] introduced an efficiency dividend on university teaching grants—reclaiming over $900m."

That "efficiency dividend" was just part of the funding cuts under Rudd and Gillard, which totalled $3.8 billion by the time Labor lost office in a landslide in 2013, after its pro-business program generated hostility throughout the working class.

The Socialist Equality Party (SEP) consistently fought against the drive by NTEU bureaucrats to impose the "Demand Driven System" via enterprise bargaining agreements.

Today, conditions are far worse. During the first two years of the pandemic, up to 90,000 jobs were eliminated, including those of casuals. Class sizes have blown out and hundreds of courses have been scrapped.

This was only possible because the opposition of university workers and students was systematically suppressed by the NTEU and other trade unions, as well as the student unions, mostly aligned with the Labor Party. When COVID-19 hit in 2020, the NTEU rushed into backroom talks with the university managements, offering wage cuts of up to 15 percent and up to 18,000 job cuts.

After this unprecedented deal provoked a revolt among university workers, the employers pulled out of it. Nevertheless, the NTEU pushed through similar schemes to impose sacrifices on staff at individual universities.

The union opposed the fight by the SEP and the Committee for Public Education (CFPE) for a unified struggle against the government. At the same time, the NTEU assisted universities in forcing staff and students to prematurely return to face-to-face classes, helping create the conditions for COVID-19 to infect two-thirds of the population.

University workers, together with students, need to review these bitter political experiences. It is impossible to defend public education without breaking out of the straitjacket of the NTEU—a parasitic apparatus, staffed by privileged bureaucrats who work with Labor and the Greens to implement the demands of big business.

What is necessary is the formation of rank-and-file committees of staff and students, totally independent of the trade unions, and a turn to school and TAFE teachers and other workers in Australia and internationally who are facing similar attacks.

Such a struggle requires a socialist perspective that rejects the dictates of the financial markets and fights for the complete reorganisation of society in the interests of humanity, not the soaring profits and wealth accumulation of the billionaires.

That includes providing tens of billions of dollars to establish free, high-quality education, from kindergarten to university, and the right of all education workers to secure employment with decent pay and conditions.

This is the program advanced by the Committee for Public Education (CFPE), and rank-and-file network established by the SEP, as part of the worldwide fight to build the International Workers Alliance of Rank-and-File Committees. We urge all those who want to take forward this struggle to join the CFPE's joint onlinepublicmeeting with the Health Workers Rank-and-File Committee on November 20.

Titled, "Unite educators and health workers: Oppose the ending of COVID protection measures! Lives before profit!" the meeting will outline a political perspective, including the building of rank-and-file committees, to unify health workers, educators and other sections of workers in the fight for safety, decent wages and conditions, and the elimination of COVID-19. Register now: https://bit.ly/3CRCuOh

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