New job cuts hit New Zealand universities and polytechnics

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The University of Otago, one of New Zealand's principal tertiary institutions, announced on April 20 that several hundred academic and professional staff will be made redundant amid sweeping spending cuts as it grapples with a slump in enrolments.

Acting vice-chancellor Professor Helen Nicholson told students in an email that the university had to make "hard decisions" to ensure it was sustainable into the future. In a media release, she said the university started the year in a "challenging financial position" that required substantial savings.

Nicholson told staff this had been "signalled for a long time" but, as with other universities, "we are facing an accelerating situation that needs an immediate response." With a $NZ60 million budget shortfall, the university was investigating "a range" of ways to save money, including asset sales and fewer courses.

The cost-cutting agenda will, the vice-chancellor warned, "result in changes across the entire university." With staff accounting for 60 percent of the university's expenses, swingeing job cuts top the list. Voluntary redundancy applications opened immediately, with compulsory sackings to follow later in the year.

Otago's enrolments are down by 0.9 percent on last year, but the school had budgeted for 4.9 percent more students than were enrolled. The university had 19,174 equivalent full-time students in 2022 and expects to end 2023 with 18,993. While full fee-paying international students are up by about 495, domestic students are down by nearly 700 compared to last year.

Otago staff were shocked by the news, one telling *Stuff* that many who had been through previous staff cuts were "distraught." A PhD student said the plans made their "heart sink." Continued cuts over recent years had already taken "very real tolls." "Academic staff are noticeably struggling, mentally and emotionally. It makes me sick," the student declared.

A drop in enrolments of 3 percent has hit the country's eight universities this year. Enrolments are up at three—Waikato, Canterbury and Lincoln—but down at five, meaning a significant loss of income. The pro-business agenda of successive governments, including Labour, has seen a long-term decline in per-pupil funding and a turn to commercial operations.

The current drop in students is attributed to the cumulative impact of COVID-19 disruptions, the rising cost of study and financial pressures forcing many school leavers to go directly into work. Reflecting the intensifying social crisis facing young people, fewer students gained university entrance last year.

The situation is part of the attack on education by governments around the globe, including in Australia, Portugal, France and the UK, under the impact of the deepening capitalist crisis. In the United States, strikes on university campuses encompass some 11,000 graduate student instructors, lecturers and custodians, over demands involving wage increases, better health care, improved working conditions and job security.

Otago is not the only institution looking to impose cuts. Massey University has recently released a restructure proposal for its three campuses which will affect roles in general and academic administration and finance. Some 178 jobs will be cut and 144 new roles created, leaving 31 vacant.

Wellington's Victoria University (VUW) is also not ruling out redundancies. In a major cost-cutting exercise in 2021, VUW warned staff that significant job cuts were required to reduce a multi-million dollar deficit. Large-scale compulsory redundancies were only avoided when a "voluntary" redundancy scheme, which around 60 staff took up, was used to reduce debt.

VUW has now seen enrolments drop 12.1 percent? on last year, leaving a $15 million hole in revenue. Vice-chancellor Nic Smith said management was looking into a

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range of options to save costs and no decision had yet been made about jobs. However, the future of the Institute for Governance and Policy Studies is uncertain.

The largest job shedding program is looming in the polytechnic sector. The government last year restructured the country's trades training system, merging 16 polytechnics and nine Industry Training Organisations into a single entity.

The new national body, Te P?kenga, with 260,000 students and over 8,000 staff, was initially targeted with saving $52 million per annum from 2023. In March, CEO Peter Winder declared that "brutal reality" required between 200 and 1,000 job losses and asset sales to rein in a $63 million deficit.

Radio NZ reported that a survey of Te P?kenga staff found one in three did not believe they have a future with the new polytech, and the vast majority would not recommend working there. The survey was responded to by over 4,300 staff with many reporting feeling anxiety and fatigue over change, frustration over under-staffing and lack of faith in management.

The Tertiary Education Union (TEU) will do nothing to fight the new assault. Otago TEU branch organiser Philip Edwards told the O*tago Daily Times* the union was currently in a "holding pattern." "Yes, we will want to save every job that we possibly can and yes, we will engage in some kind of action—but we don't know what that action is yet because we are still in the early stages of understanding what the process forward is," he declared.

Edwards added that during pay bargaining in the COVID lockdown, members had voted to take a zero pay increase to "protect" the university. "Now they're being repaid with redundancy as a result of that," he said.

The TEU national office is due to meet with branch presidents "to discuss a coordinated national approach to fight the cuts." However, it immediately repeated previous calls for "all the Vice Chancellors to work with us and the government in a tripartite forum to argue for the university sector"—in other words begging for a seat at the table to collaborate with the impending assault.

Throughout years of funding cuts and attacks on jobs and wages, the TEU has collaborated in imposing the dictates of university administrations, governments and big business. Like all the unions, its perspective has been to isolate staff between institutions, suppress industrial action and call for "consultation" over how cuts are to be carried through.

With the onset of the COVID pandemic in early 2020, border closures saw international student enrolments cut by more than half. Over 1,000 university jobs were shed during the next two years without any co-ordinated fight to unite staff in a nationwide campaign to defend jobs.

Workers have attempted to fight back. Last October, 7,000 university staff held a nationwide one-day strike over frozen pay and attacks on conditions. The movement was subsequently broken up by the TEU, which has imposed below-inflation pay deals at VUW, Otago, Canterbury and Massey Universities.

Last year, the TEU took a legal case in the Employment Relations Authority over a decision by Auckland University of Technology (AUT) to sack 270 staff. The TEU trumpeted a decisive "victory" after the authority found that AUT had not followed procedures laid out in the employment contract and ordered that the termination notices be withdrawn.

The legal challenge, however, was a bogus operation, designed to suppress any industrial action while the TEU sought discussions over how best to organise the sackings. Ninety jobs were finally lost to voluntary redundancies, while the remainder were deferred for six months. AUT management declared it would then "engage constructively with the TEU to effect the changes we need."

Tertiary workers can place no faith in the corporatist TEU and unions—or the pseudo-left groups that promote them—to carry through a struggle to defend jobs, wages and conditions. A fight for jobs, living standards and public education itself requires the building of new organisations that workers themselves control: rank-and-file workplace committees, independent of the unions and the political establishment.

Above all, what is posed is a unified struggle of the working class based on a socialist perspective to reorganize society to meet the interests of the majority, not the profits of the wealthy few.

We urge workers and students to contact the Socialist Equality Group to discuss this perspective.

To contact the WSWS and the Socialist Equality Party visit:

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