

# Australian government's universities report outlines pro-business and war restructuring

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The Labor government's Universities Accord final report, released last Sunday, was cynically presented by Education Minister Jason Clare and the corporate media as a call for greater equity. Supposedly, it was designed to boost participation by students from low socio-economic, outer suburban and regional areas, as well as indigenous students.

In reality, the report's core axis is a further restructuring of universities to satisfy the employment and research demands of the corporate elite and preparations for war. In part, that means funnelling more students, including from working-class suburbs, into courses to meet the "skill shortages" designated in employer-government "national priorities," not least the preparations to join a US-led war against China.

That message is clear enough from the opening words of the report. The government's review panel, which featured Australia's highest-paid CEO, Macquarie banking group's Shemara Wikramanayake, declared: "[A] central tenet of the Review is that all parts of Australia's education system need to work together to meet Australia's future skills challenge."

The report nominates "areas of national priority like clean energy, critical technology, minerals and defence," saying they "will need more skilled professionals." All these fields are related to the geo-strategic interests of Australian imperialism and its commitment to US war plans.

In launching the report, Clare would not commit the government to adopting the report's 47 recommendations, and certainly not to increasing funding for the financially-starved universities. But he fully endorsed its restructuring agenda, while paying lip service to giving "disadvantaged" students "a crack" at tertiary education.

The report shows just how much the universities must milk international students, who pay exorbitant fees, in order to survive. In 2022, Australian higher education providers enrolled almost 450,000 international students. That was more than a quarter of total enrolments. International student fees contributed more than a fifth of overall university funding, while constituting Australian capitalism's "fourth largest export," after iron ore, coal and gas.

Among the pro-business programs that the report proposes are a shift to "micro-credential" courses tailored to meet the needs of employers and "work integrated learning" (WIL) to

embed students in industry throughout their courses, featuring tied "degree apprenticeships." A Research Investor Forum of big business peak bodies would direct university research into corporate partnerships.

The report advocates "skills coalitions" of tertiary education providers, industry and trade union "partners" to "create a basis for scaling skills delivery on a sector basis." The examples it gives of such "innovative approaches" already underway are revealing. They feature:

- The University of Wollongong's Cyber Academy, a "3-year professional apprenticeship program" that offers students a Bachelor of Computer Science (Cyber Security) while "providing work experience with Deloitte, an industry partner, or a government department."

- To support AUKUS, the University of South Australia is partnering with the South Australian Government, the Australian Industry Group and the defence industry to develop university degree apprenticeships to support the construction of nuclear-powered submarines.

The AUKUS (Australia-UK-US) military pact, which involves spending hundreds of billions to acquire US and UK nuclear-powered attack submarines, long-range missiles and other hi-tech weaponry designed for use against China, is a spearhead of the Labor government's plans for a "all of nation" war economy, with universities on the front line.

The report calls for the introduction of an even more business-oriented funding system than the "demand-driven" one imposed by the Gillard Labor government in 2012/13 after an earlier similar tertiary education review. Prime Minister Julia Gillard's "education revolution" forced universities to compete against each other for enrolments and rely on international student fees. This has had disastrous consequences, including the wholesale casualisation of academic and professional workforces.

The proposed revamped scheme would tie funding to universities "negotiating mission-based compacts" with a new Australian Tertiary Education Commission. These compacts would, first and foremost, require universities to "deliver Australia's future skills needs." Some "compacts" would be tied to financing "demand driven places for equity students."

On every front, universities' funding would depend on

delivering courses and research that match the “national priorities” set by the ruling class.

A “Solving Australia’s Challenges Fund” would be established to “reward universities that demonstrate effective use of their research expertise and capability and application of their research findings to big national challenges by governments, business and industry.”

Governments, industry bodies and employers would also “establish targets to increase the number of doctoral candidates employed in industry undertaking a PhD relevant to their company.”

Clare highlighted the report’s statement that at least 80 percent of the workforce will need a vocational education and training (VET) or university qualification by 2050. Currently, it sits at 60 percent. Far from any genuine concern for equity, the anxiety in ruling circles is that such a goal could not be met without slotting students from less privileged backgrounds into the designated “skills shortages.”

Gillard’s “demand-driven” regime is credited with lifting the participation rate to the current level, but it failed in its pledge to increase the enrolment of disadvantaged students. For all the talk of “equity” that is unlikely to change, because social inequality is widening at a rapid rate, not least in the two-class school system, where public schools are starved of resources while private schools are being more generously funded than ever before.

The report suggests some changes to the HELP fees system and student income support programs to overcome what it terms “placement poverty,” which “deters tertiary participation and successful completion.” That is, many students, often trying to survive in low-wage work, simply cannot afford university study.

Again, the report’s concern is not social justice but finding ways to draw students into industry-tied courses. Some such programs would offer students payments for unpaid placements that are currently required, notably in the areas of nursing, aged care, child care and teaching, where there are massive staff shortages due to poor wages and conditions.

The report points in a veiled fashion to a critical political fear in the ruling class—that staggering social inequality will exacerbate social and political unrest. It identifies “threats to our social cohesion” as one of “the major problems we face.” Hence, the misleading political packaging of the report as one addressing educational inequity.

Similarly, as a sop to student discontent, the report recommends a national student charter covering student welfare, safety and wellbeing, and a National Student Ombudsman to address student complaints.

Instead of guaranteed government funding for university infrastructure, the report recommends a Higher Education Future Fund (HEFF). It would be funded by co-contributions from universities’ own revenues and the government, with the aim of reaching \$10 billion in assets, depending on the vagaries

of the financial markets. Distribution of returns would be invested in projects selected on the advice of a pro-business “independent board.”

Not surprisingly, business groups immediately welcomed the report. The Business Council of Australia (BCA), representing the largest companies operating in the country, said the document “offers a unique opportunity to reshape the higher education sector into one that is agile and responsive to industry.” It emphasised: “The BCA is very supportive of the report’s emphasis on skills—we have long called for job-ready graduates who have the targeted and practical skillsets businesses need when they leave the tertiary sector.”

The report’s content exposes the role of the leaders of the two main campus unions, the National Tertiary Education Union (NTEU) and the Community and Public Sector Union (CPSU). They have repeatedly urged workers and students to support Labor’s review, promoting illusions that it would improve university conditions.

The truth is that the unions share Labor’s pro-business and militarist agenda. The NTEU’s submission to the Accord panel called for a higher education sector that “provides the graduates with the necessary skill sets for future productivity.”

For years, the union bureaucrats have suppressed educators’ hostility to the corporatised transformation of universities, blocking any unified mobilisation against it while pushing through enterprise agreements that enable such restructuring.

In order to fight this destructive agenda, university workers and students need to form rank-and-file committees, independent of the unions, to link up with workers in Australia and worldwide through the International Workers’ Alliance of Rank-and-File Committees. This is part of a broader necessary struggle against capitalism itself and its program of ever-greater corporate wealth and turn to war.

To discuss how to form rank-and-file committees, please contact the Committee for Public Education (CFPE) the rank-and-file educators’ network:

**Email:** [cfpe.aus@gmail.com](mailto:cfpe.aus@gmail.com)

**Facebook:** [www.facebook.com/commforpubliceducation](http://www.facebook.com/commforpubliceducation)

**Twitter:** @CFPE\_Australia



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Socialist Equality Party visit:

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