

# Australian university chiefs back Labor's corporate agenda while pleading for funding relief

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Universities Australia (UA), the peak body representing the country's university managements, has reiterated its commitment to delivering the Albanese government's big business and pro-military agenda, while partially documenting Labor's funding cuts, which are driving restructuring and the destruction of thousands of jobs.

In its pre-budget submission for the government's looming annual budget in May, UA began by pledging to "stand ready" to deliver Labor's "focus on discipline, prioritisation and reform to lift productivity and support sustainable growth."

Moreover, the submission gave this undertaking under conditions of "heightened global uncertainty, a weakening international economic outlook and ongoing pressure on Australia's fiscal position."

That amounts to a vow to work even more closely with the Labor government as it enforces its Universities Accord report, released in 2024. The Accord blueprint demands the complete subordination of the tertiary education sector to "national priorities"—that is, the teaching and research requirements of employers, the capitalist ruling class as a whole and the development of an AUKUS-aligned war economy.

This means funnelling more students into courses to meet designated "skill shortages," including those related to the AUKUS military pact, which involves spending hundreds of billions of dollars to acquire US and UK nuclear-powered attack submarines, long-range missiles and other hi-tech weaponry designed for use against China.

The UA submission states: "As the Prime Minister [Anthony Albanese] has recognised, there is substantial agreement on the key priorities needed to strengthen Australia's economic foundations."

This underscores the intent of the university chancellors

and vice-chancellors to deepen the restructuring that has swept through universities over the past 18 months, axing non-"priority" courses and research, particularly in arts and humanities, and destroying about 4,000 academic and administrative jobs so far.

UA pledges to "support the commercialisation of Australian innovation," which involves further tying education to capitalist profit requirements, while also "powering a \$52 billion export engine" by continuing to exploit international students, charging them exorbitant fees.

From this standpoint, UA pleads for a reversal of declining government funding, pointing to a 6 percent real decline in funding per government-supported domestic student places since 2017.

The submission attributes this decrease to the previous Liberal-National Coalition government's Job-ready Graduates (JRG) package, in which students in disciplines such as humanities, business, law and arts pay up to \$17,000 per year while the government contributes only \$1,300, slicing around \$750–800 million per year off university budgets.

"The decline in funding has led to larger class sizes, the removal of low enrolment degrees and courses, and increased use of casual teaching staff," the submission states. "This increases staff workloads and undermines the student experience."

In pursuit of its Universities Accord agenda, however, the Labor government has kept this squeeze on the universities, refusing to scrap the JRG scheme, despite promising to do so during the 2022 election campaign.

Until recently, Education Minister Jason Clare claimed that the JRG program would be referred to the government's new Australian Tertiary Education Commission (ATEC). Yet the ATEC Act, passed last

month, does not allow ATEC to advise on student fees, effectively retaining the JRG regime indefinitely.

The UA submission avoids mentioning that the funding decline is part of a longer-term cut, bound up with the corporatisation of universities that began with the Hawke and Keating Labor governments of the 1980s and 1990s.

In fact, the level of federal government funding for domestic student enrolments has halved from around 80 percent to 40 percent or less since the Hawke government reintroduced domestic student fees in 1987 via a loans scheme.

That government's measures, headed by then Education Minister John Dawkins, marked the start of the corporate takeover of Australian universities, alongside Labor's privatising or corporatising of government-owned enterprises such as Qantas, Telecom (now Telstra) and the Commonwealth Bank.

Dawkins forced mergers between universities and colleges of advanced education, targeted research funding to areas considered essential to economic growth and placed a greater emphasis on universities finding new ways to fund their activities, such as by charging high fees for international students.

As well as retaining the JRG scheme, the Albanese government has refused to re-establish a funding program for university infrastructure to replace the Education Investment Fund. It was abolished in 2019, removing "nearly \$4 billion in dedicated higher education and TAFE infrastructure investment," the UA says.

"As a result, real university capital expenditure fell by around 40 percent between 2019 and 2022, constraining capacity and degrading the quality of learning and research environments."

Another UA report, "Critical challenges in Australia's university sector: securing a sustainable future (2025 edition)," released this February, sheds some light on the accompanying elimination of university jobs.

From 2014 to 2019, total full-time equivalent (FTE) staff grew to just over 137,000 — a 14 percent increase—but this was below the 17 percent growth in equivalent full-time student load, primarily driven by a 53 percent rise in international students.

Between 2019 and 2021, mainly due to the impact of the COVID pandemic and the shutting of access to international students, total FTE fell by more than 8,000. Those losses had been substantially reversed by 2024, but then came the latest Universities Accord-driven assault on jobs, which the UA report does not mention.

The Albanese government has also resumed slashing

international student enrolments, matching the anti-immigrant agitation of the Coalition and the far-right One Nation by falsely blaming overseas students for the worsening housing and cost-of-living crisis.

Labor has almost trebled student visa application fees from \$710 to \$2,000 and doubled the refusal rate on visa applications to 32.5 percent in February compared to 2025—the highest for a single month in 20 years. That flies in the face of Labor's promise to slightly increase the previously-reduced number of approved visas from 270,000 to 295,000 in 2026.

None of this intensifying decades-long assault would be possible without the role of the campus trade unions, the National Tertiary Education Union (NTEU) and the Community and Public Sector Union (CPSU). They have opposed and blocked any unified fight by university staff, including during the COVID jobs assault and now the restructuring and job cuts being taken to a new level by the Albanese government.

Despite claiming to oppose, in words, the corporatisation of universities, the union apparatuses have suppressed educators' hostility to this transformation, while pushing through successive enterprise agreements that facilitate such restructuring.

To fight this agenda, university workers and students have to create new forms of organisation—rank-and-file committees, totally independent of the trade unions, that will develop demands based on they need, not the dictates of the corporate elite and the war machine.

These committees, initiated by the Socialist Equality Party, can link up with workers in struggle in Australia and worldwide through the International Workers' Alliance of Rank-and-File Committees. This is part of a broader necessary struggle against the capitalist profit system itself, its ever-greater oligarchic wealth and its plunge into barbaric and catastrophic wars in the Middle East and beyond.

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

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

Facebook: [facebook.com/commforpubliceducation](https://facebook.com/commforpubliceducation)

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