More job cuts at Australian universities as Labor government intensifies its restructuring

Mike Head
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Job losses are deepening in Australia's 39 public universities, especially in arts and humanities, as the Albanese Labor government continues to cut international student enrolments and other sources of funding as part of its restructuring of tertiary education.

Last month, the assistant minister for international education, Julian Hill, said in a speech that the Labor government expected new international student commencements to fall 18 percent by the end of this year. That represents a $2 billion blow to the higher education sector over the next three years.

This may be an understatement. Universities around the country reportedly estimate that they are about a third down on the international students they had hoped to recruit this year.

Retrenchments have been announced recently at University of Melbourne, Deakin University and Federation University, as well as a plan to merge three Western Australian universities into one, which is likely to cost hundreds more jobs. This is on top of the destruction of almost 4,000 jobs throughout the public universities over the past two years.

More job losses are certain to be threatened, because chronic under-funding, intensified under the Albanese government since 2022, has made universities dependent on milking international students to provide up to one-quarter of the revenues they generate.

Last week, the University of Melbourne management said it is planning to axe almost 180 jobs, describing its recent financial results as "disappointing and unsustainable" and flagging further pressure to come from declining numbers of full fee-paying international students. The university recorded a $124 million operating deficit last year, and forecast a further one this year, its fifth yearly deficit in a row.

Last week as well, Deakin University acting vice-chancellor Susan Elliott told staff the university, with campuses in Melbourne and the industrial city of Geelong, would consult later this month on a so-called voluntary redundancy program, saying it would "start addressing the revenue gap of around $200 to $250 million a year we expect by 2029."

Two weeks ago, some Federation University staff were told 87 percent of its arts subjects would be cut. A spokesperson later claimed this was a "miscommunication" but said the university, which has campuses across regional Victoria, was reviewing courses and units with low student numbers.

The spokesperson blamed the Job-ready Graduates (JRG) scheme, first imposed by the previous Liberal-National Coalition government in 2021, under which arts and humanities students face punitive fees and loan debts—rising to $54,000 for three-year degrees next year. This is intended to coerce them into taking science and technology (STEM) courses to satisfy the demands of the mining giants and other corporate employers, as well the growing military economy.

Universities are also paid much less for teaching arts and humanities courses, slashing their budgets by $1 billion to $1.3 billion a year. Despite pledging to scrap the JRG before the 2022 elections, the Albanese government has deliberately continued it, both for financial and pro-corporate reasons.

Labor's cuts to international student numbers have a dual purpose. First and foremost, they are part of a reactionary nationalist drive, together with the Coalition and Senator Pauline Hanson's far-right anti-immigrant One Nation, to blame students and immigrant workers for the worsening cost-of-living and housing crisis.

The Albanese government has sought to outdo the Coalition and One Nation by trebling student visa application fees, rejecting 40 percent of visa applications, banning students from applying for further visas once they complete their courses, and barring most students from bringing their partners and children with them.

University vice chancellors and some business figures have criticised aspects of these measures for endangering corporate revenues. Primarily due to exorbitant fees, rents and other expenses, international students contributed more than $53 billion to the economy in 2024-25, according to the Australian Bureau of Statistics. That made education Australian capitalism's fourth-largest foreign revenue earner behind coal, iron ore and gas.

But the scapegoating of international students, especially from China and impoverished parts of the Indian sub-continent, is not an economic miscalculation. As well as promoting anti-foreigner bigotry, it is designed to increase the financial pressure on universities to deliver courses and research in line with the "national priorities" set out in the 2024 Universities Accord.

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The Labor government is also capping federally-subsidised domestic student enrolments for next year at 624,590, with individual university allocations now set by the government's new Australian Tertiary Education Commission (ATEC).

This figure, announced last week, is estimated to be about 32,000 places short of what is needed to maintain the 2026 enrolment level, which included substantial over-enrolments as university managements scrambled to overcome funding cuts.

When the Universities Accord report was released in 2024, it was cynically presented by Education Minister Jason Clare and the corporate media as a call for greater equity, supposedly 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 the 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" in designated industries.

The report nominated "areas of national priority like clean energy, critical technology, minerals and defence." All these fields are related to the geo-strategic interests of Australian imperialism and its commitment to US war plans.

One of the report's examples of "scaling skills delivery on a sector basis" was: "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 military pact 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.

Starting in January next year, to enforce the Universities Accord, funding for each university is tied to "mission based compacts" with ATEC, based on Labor's national priorities.

A recent National Tertiary Education Union (NTEU) report showed that funding per university student has decreased by 10 percent in real terms since 2013, with the shortfall accelerating under the Albanese government. But the report aligned with Labor's agenda, saying "a strong public university system is vital to Australia's sovereign and strategic capacity" and funding must "reflect our national priorities."

The NTEU is currently conducting isolated enterprise agreement (EA) campaigns, blaming individual vice chancellors for cuts, diverting attention away from Labor's role. In fact, the EAs continue to facilitate the restructuring via "change clauses" that permit job destruction, as long as it is implemented through consultation with the unions, usually by pressuring staff into taking supposed voluntary redundancies.

Not coincidentally, the latest University of Melbourne job cuts were announced just after the NTEU pushed a sellout deal with the management through a members' meeting at the university. The new EA not only imposes another sub-inflationary real pay cut but also contains "change" procedures that facilitate restructuring.

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

To fight this agenda, university workers and students have to take matters into their own hands. They need to build genuinely democratic new forms of organisation—rank-and-file committees—open to all students and staff, including the majority of university workers who are no longer union members because of the unions' track records.

The Committee for Public Education (CFPE), the educators' rank-and-file network initiated by the Socialist Equality Party (SEP), is fighting to build such committees and unite educators with workers in Australia and internationally.

In the November 28 Victorian state election, the SEP is standing candidates, Morgan Peach, a SEP National Committee member and president of the International Youth and Students for Social Equality (IYSSE) club at the University of Melbourne, and Peter Bryne, a long-standing SEP member, in the Melbourne Northern Metropolitan region to take the fight for a socialist perspective out to the broadest layers of the working class.

We urge all educators and students to attend the SEP's final election meeting this Sunday to discuss these critical questions and the fight for international socialism:

Build an international socialist movement against war and austerity!

WHEN: 2:30 pm Sunday, 22 November

WHERE: Djerring Flemington Hub, 25 Mt Alexander Rd, Flemington VIC 3031

Register to save your seat!

Can't join in person? Register to join via Zoom.

For discussion and help to build RFCs, contact the Committee for Public Education (CFPE), the educators' rank-and-file network at: cfpe.aus@gmail.com

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