Structural Adjustment in the Face of the COVID-19 Shock: Fault Lines in Australian Higher Education

Jean K. Parker 1

1University of Newcastle, Newcastle, Australia

Research Domain: Student experiences (SE)

Abstract: This paper sketches out the impacts of the COVID-19 funding shock on Australian higher education. It examines the three pillars that have characterised higher education since the 1980s: massification through the integration of professional and academic learning, austerity and casualisation in staffing, and the ever growing dependence on the international student market. Against these, the paper examines the way in which the financial impact of COVID is being harnessed by policy-makers and university managements.

The COVID shock is emboldening those making a case for greater stratification between elite research universities, and teaching only institutions, in which working class students will be increasingly steered toward solely professional courses. In relation to staffing, the COVID experience has only intensified the prevailing trend of precarity and austerity. In relation to international student fee income – which has been such a central element of Australian higher education funding – there remain large questions out of the crisis.

Paper: Structural adjustment in the face of the COVID-19 shock: fault lines in Australian higher education.

The COVID-19 shock has acted as a stress-test for Australia’s higher education sector that has revealed deep instabilities and inequities. In particular the system has been dependent on a recipe of international student fees, increasing orientation to industry in research, and a culture of constant austerity in relation to staffing. These elements were all set in place by the “revolution” in higher education unleashed by Education Minister in the Hawke Labor government of the 1980s, John Dawkins.

This paper explores the structural changes emerging out of the COVID crisis, questions whether COVID has permanently broken the system that flowed from the Dawkins reforms, and explores the implications of emerging trends for working class and other underrepresented students.

Initial dire predictions about the funding shortfall resulting from Australia's border closures have been estimated down, yet the future size of international student fee income is uncertain. In this space of uncertainty governments and university managers have intervened to promote structural changes that have been discussed in earlier years, but have remained marginal and controversial.
The re-tiering of higher education?

One such controversy is over policy that fosters stratification within and between universities, whereby an elite group of universities specialise in research, and other institutions are deemed ‘teaching only’. In effect this would be an unwinding of the Dawkins reforms of 1988, which had amalgamated the professional training that was undertaken in Centres of Advanced Education with university education. The teaching-only institutions being envisioned now by some (Caldrake 2018) would be less prestigious institutions aimed at preparing working class students for professional roles. Alongside these, the traditional ‘sandstone’ institutions would retain the capacity for research, and would teach full academic curricula geared to meeting the needs of students from elite backgrounds.

Delineation within Australian higher education is not a new phenomenon. However, the downward trend in per-student government funding since the late 1990s has worked to distil the divide between those institutions which could maintain high research budgets, primarily funded through international student fees, and those which could not. The breaking of the teaching-research nexus (Bentley et al 2014) is an attack on the working conditions of academic staff – one that has been a flash point of industrial struggle on campuses throughout the last decade. But it is also an attack on the rights of working class students to access curriculum that is more than a conveyor-belt into the workplace, but brings them into engagement with material that arms them with critical thinking and in the context of social justice informed education.

Neoliberal managerialism and the casualisation of teaching

At the time Dawkins was founding the newly expanded university system, his Labor colleagues were unleashing a wave of corporatisation across the public sector. Previously public institutions such as Qantas and Australia Post were soon to be run as corporations, if not sold off completely. The new institutions Dawkins created were increasingly governed by centralised and corporatized managements. This corporate model had an incredible appetite for casualisation, with estimations that over 60 per cent of university staff are casual (Yasukawa &Dados 2018). Casualisation saved money on the expanded teaching requirements of the university, and allowed managers flexibility in their hiring practices. With the expansion of class sizes without a concomitant rise in staffing, the pressure increased on both casual and permanent teaching staff to provide grading, student mentoring and support under ever shrinking allocation of paid hours.

The combination of rapidly rising casualisation, incessant rounds of restructures and cuts, and a constant requirement for permanent staff to do more with less, created an endemic culture of austerity among university staff. The limits on face to face time with students has particular impact on students who are the first in their family to attend university. The COVID crisis has only compounded the existing sense of austerity, with over 17,000 staff (Zhao 2021), including permanent academics, made redundant or not renewed since the start of 2020.

International student fees – the end of the magic pudding?

The final element of the Dawkins reforms was not foreseen by its authors – the development of an international student market in Australian universities. International student fees became structurally central to the expansion of higher education because governments kept strict caps on
the amount of funding it provided. The only area in which universities could gather discretionary funds in order to invest in new research or buildings for instance, was to attract more international students.

The failure of the government to offer funding to bridge what is assumed to be a temporary gap in the income due to border closures, raises questions about the government’s vision for the future of Australian universities.


