

UTS response to questions on notice from the Education and Employment Committee - 31 July 2017

Senator McKenzie questions:

- 1. Can you please break down your annual reports to a granular level so I can understand your teaching costs per student, including associated teaching expenses and marketing?**

It is not possible to provide teaching costs per student given the integrated nature of expenditure at UTS – the University does not use activity-based costing. Our academic staff members apply varying proportions of their time to research, teaching and learning, and external engagement – this can vary from person to person, year to year, and within years. It is important to note that teaching is informed both by the research they conduct and the industry knowledge and experience from their engagement activities. Many of our non-staff costs cross over multiple areas of activity, such as our engagement with industry; building running costs and maintenance, depreciation, library costs, printing, security, organisational support such as human resources and finance management, innovation activities.

- 2. Please provide a detailed summary of the remuneration structure for the Vice-Chancellor of your institutions.**

In 2016 the UTS Vice-Chancellor's total remuneration package, as reported in the 2016 UTS Annual Report, was \$980,000 to \$989,999.

Senator the Hon Jacinta Collins questions:

- 1. What is the impact of cuts, in dollar terms, to UTS, over the next four years?**

UTS estimates that the efficiency dividend will mean a cut of \$22.2 million over the next four years and in excess of \$5 million every year after that.

This comprises the direct effect of the efficiency dividend applied in 2018 and 2019 and the projected impact in the change in base funding following that.

2. What is UTS' assessment of the regulatory burden from this bill?

The regulatory burden of the Bill is mainly in the transition arrangements – amending UTS systems, notifying students of the impacts and managing their queries.

UTS is of the view that arrangements for postgraduate scholarships can be managed without undue burden if administration is delegated to a body such as an admissions centre – this appears to be allowed for in the legislation.

The regulatory burden of elements that will be determined by the Minister at a later date, such as eligible sub-Bachelor and postgraduate funding categories is hard to assess. As the sector successfully manages different funding categories now, we expect that future arrangements will be manageable.

Of greater concern is the unknown regulatory burden associated with the proposed performance component of funding. While we acknowledge that the intent is for the measures to be co-designed with the Sector, there is a significant risk that additional data collection, compliance, reporting and longitudinal comparability may lead to significant resource allocations that outweigh the intent of the concept.

UTS has expressed its willingness to work with the Minister to achieve the most efficient arrangements possible.

3. UTS described the higher education package as a missed opportunity. Can you elaborate on this?

In our submission we referred to the package of legislation as a missed opportunity as while we welcome bilateral support for innovation and recognition that the innovation agenda is core to Australia's long-term prosperity and societal wellbeing, as outlined in the National Science and Innovation Agenda. However, this proposed legislation undermines that commitment by threatening the quality and accessibility of higher education at the very time when we need a strong, flourishing education system most.

We are at crucial juncture in terms of changing social dynamics, industrial change, technological disruption and increasing global competition – we need a sustainable, accessible, quality education system. Cutting university budgets, removing infrastructure funding and making students pay more, and sooner, will not support that.

Which is unfortunate as we believe a number of elements of the Bill reflect sound policy development and have a positive impact on the higher education sector, these are:

- The proposed changes to Postgraduate Commonwealth Supported places
- Funding of enabling and designated sub-bachelor programs
- Work experience in industry
- Legislation enshrining the Higher Education Participation and Partnerships Program

The impact of the negative changes in the legislation will not been seen for many years, but ultimately funding cuts to universities and student cost increases are not in the best long-term interests of the Government, universities or students as we strive for a national focus on innovation and the knowledge economy.

If you need any further information please do not hesitate to contact:

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