

REPORT ON PROCEEDINGS BEFORE

STANDING COMMITTEE ON SOCIAL ISSUES

INQUIRY INTO NEW SOUTH WALES UNIVERSITY SECTOR

CORRECTED

At Macquarie Room, Parliament House, Sydney, on Wednesday 1 April 2026

The Committee met at 9:15.

PRESENT

The Hon. Dr Sarah Kaine (Chair)
Ms Abigail Boyd
The Hon. Anthony D'Adam
The Hon. Taylor Martin
The Hon. Rachel Merton
The Hon. Sarah Mitchell (Deputy Chair)
The Hon. Bob Nanva

The CHAIR: Welcome to the fourth hearing of the Committee's inquiry into the university sector. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us today. My name is Sarah Kaine, and I am the Chair of the Committee.

I ask everyone in the room to turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of these procedures.

Mr DEAN YATES, EY Oceania, Government and Health Services Leader, EY, affirmed and examined

Mrs LEIGH WALKER, EY Oceania, Risk Management and Independence Leader, EY, affirmed and examined

Mr JOHN DEWAR, AO, Partner, KordaMentha, affirmed and examined

The CHAIR: Thank you all for joining us this morning and making the time to give evidence. Would you like to start by making a short opening statement?

DEAN YATES: Thanks for the opportunity to appear today. My name is Dean Yates, and I'm the Oceania government and health services leader at EY. In this role, I lead the team that's responsible for delivering services to our higher education sector clients across Australia, including New South Wales. Joining me today is Leigh Walker, our Oceania risk management and independence leader. Our higher education team is part of our government practice, which helps public sector clients with assurance, tax, strategy and consulting services. The three types of engagements that we are most commonly called upon for the higher education sector include assurance engagements, such as internal audit, where we're asked to review a specific program or project to ensure risks are being managed effectively; cybersecurity support, which includes strengthening cyber capabilities so clients can effectively safeguard the sensitive information that they hold and appropriately respond to potential incidents; and platform implementation, which involves supporting clients with once-in-a-generation IT platform upgrades to their operating systems.

In the last financial year, the work we did for the New South Wales higher education sector represented just under 0.5 per cent of EY Australia's total revenue, or approximately \$13 million. I also wanted to note that EY has a strong interest in the higher education sector, as we are one of Australia's largest graduate employers. Every year, around 600 graduates join our firm across Australia. I'm proud to say that earlier this year we were named as the most popular graduate employer and a winner in three other categories in SEEK's top 100 graduate employers awards. This interest means that we regularly engage with the higher education sector as an industry partner, whether through providing industry expertise for courses, offering internship opportunities or participating in graduate recruitment fairs. I want to close by saying how proud I am of our people. They use the skills and experience that they developed at university and at EY to help solve complex challenges and deliver better outcomes for not just our higher education clients but also for all of our clients. Thanks for the opportunity to make this statement, and we look forward to assisting the Committee.

JOHN DEWAR: Thank you for the opportunity to appear before this inquiry. I have worked in Australian higher education for more than 30 years in four different universities—most recently as vice-chancellor of La Trobe University, and then as interim vice-chancellor at the University of Wollongong. In the middle of 2024, about three months after I had stepped down from La Trobe, I was asked to serve as interim vice-chancellor at UOW—not as a permanent appointment, but as someone brought in temporarily to stabilise a university facing serious financial challenges amid a leadership transition and while the university sought a permanent vice-chancellor. As a partner at KordaMentha, I advise on education matters across multiple sectors, including, obviously, higher education. That was a role I started shortly before I took up the UOW position, and I took unpaid leave from it during my time as interim vice-chancellor. I hope that this combination of experience will be useful to the Committee.

I want to be clear about the scale of the challenge facing Australian universities, which I think provides an important context for this inquiry. Our analysis of the 2024 annual reports showed that by that year university debt had grown by 44 per cent since 2019, that cash reserves had fallen by 41 per cent in just three years, that 20 universities had more current liabilities than current assets, and that one-third of universities were in deficit in 2024. These are the accumulated consequences of a funding model that was never designed for the environment universities now face and which, in truth, has been under significant strain since COVID. As it is probably well known, before COVID, the sector had become dependent on international student revenue, with active support from governments on both sides for the preceding two decades. But, as we know, that Government policy has now fundamentally and suddenly changed the terms of that dependence.

Wollongong is a case study in how quickly these pressures can become acute. When I arrived in June 2024, international student commencements for that year had fallen by 40 per cent against budget forecasts—a direct consequence of the Government's change in strategy—and produced a revenue shortfall of around \$35 million. The forecast was that if the university did nothing, it would run out of cash by the end of the decade and possibly sooner. Wollongong was also covering high levels of debt, which made things much more difficult. I say all of this because I think current perceptions of a sector crisis should be seen in this wider context. University councils are obliged to assure themselves of the financial sustainability of their institutions, while at the same time, of course, ensuring that those universities fulfil their important public missions. This is becoming an increasingly difficult juggling act in the current environment. I look forward to helping you with your inquiry.

The CHAIR: Mr Dewar, I wasn't going to start here, but it seems like a good place, given your introduction. When you talk about the accumulated debt of universities, obviously no-one here would disagree with the pressures faced by universities and the funding challenge—and, thankfully, we can lay that squarely with the Feds. But wouldn't you agree that a large amount of debt in some universities is due to the choices that their councils and executive leadership have made with regard to where they choose to invest and the capital infrastructure they choose to invest in? That is not to say you don't have to upgrade infrastructure, but it's how and what you do. Wouldn't that be fair?

JOHN DEWAR: I think universities borrow money for a range of reasons. Some of it is to invest in improved facilities; some of it is to invest in improved systems. Every university, in making those judgements, will have assessed its capacity to repay that debt. Of course, as I think Wollongong exemplifies, the circumstances governing that capacity to repay have changed. I don't think universities can be blamed at the time for making decisions in the financial environment they thought they were in. But, as I said in my remarks, I think that environment has changed significantly.

The CHAIR: But that can be blamed on how they frame the current environment. I'm not talking about UOW now, but you raised a general industry-wide situation. If you frame the need of a university to repay debt at an unrealistic pace, then it's easy to frame the current situation as a crisis, isn't it? If you decide unilaterally that you need to repay debt in two years time that actually doesn't need to be repaid, that's not a crisis, is it, that's a decision.

JOHN DEWAR: Yes, there are financial choices that are available, but the decision not to repay debt can mean that you might have to refinance that debt. Refinancing in the current environment is likely to mean that you'll get a much worse deal than you would have done a few years ago, so it could actually be a detrimental decision for the university in the long run, and it reduces your capacity to borrow for other purposes. Each university will make a judgement in the light of its own circumstances. It's very difficult for me to comment on individual decisions that universities make. By and large, if a university decided it wanted to repay debt, I think you could say there would be good reasons for that.

The CHAIR: When we say "a university decided", we're talking about a council made up of mostly unelected, unrepresentative decision-makers. When we're saying a university decides, we're not saying the stakeholders—the students, the staff, the community—get to decide. We're talking about a small group of people who get to decide largely—often, it would seem—based on the advice of external consultants who perhaps don't have access to the information that those insiders do.

JOHN DEWAR: The composition of councils is a bit more complex, I think, than you're representing there. There are, as you know, staff and student elected representatives on council. There are ministerial appointees on council. So I don't think it's fair to characterise councils as composed entirely of corporate insiders.

The CHAIR: We've seen the analysis of that from previous witnesses, so you and I might agree to disagree, Mr Dewar. You did mention, and I wonder if you could reiterate for me, that before you took on the interim VC role you were with KordaMentha?

JOHN DEWAR: Yes.

The CHAIR: What was your position at KordaMentha?

JOHN DEWAR: I was with KordaMentha for about three months. I came in as a partner.

The CHAIR: With responsibility for what areas?

JOHN DEWAR: Primarily for higher education, but also the wider education portfolio.

The CHAIR: You were given a letter, I understand, and your contract was signed on 3 June 2024. I think four days after that KordaMentha was invited to tender for the change management process at UOW. What involvement did you have with that decision?

JOHN DEWAR: None whatsoever.

The CHAIR: So you were the lead higher education partner at KordaMentha, you had discussions with the chancellor, Michael Still, about taking on the role of interim vice-chancellor, and you did not know that the University of Wollongong was going to engage in a restructuring program and that they were going to ask KordaMentha to tender. You did not know that.

JOHN DEWAR: I knew that the chancellor knew of KordaMentha, that he held them in very high regard because he'd been on the board of another client of the firm's, and I knew that he was thinking about

including them in the tender process. But I had nothing to do with that decision or with the decision of the procurement process itself, nor with the supervision of the work that the team did.

The Hon. ANTHONY D'ADAM: Is your evidence, as the higher education lead, that you had no knowledge about this before you took on the appointment at the University of Wollongong?

JOHN DEWAR: I knew that the chancellor had it in his mind to include them in the procurement process. I knew that, yes.

The CHAIR: How did you know that?

JOHN DEWAR: Because he told me.

The CHAIR: So you had a discussion with the chancellor about the work at the University of Wollongong that KordaMentha might be asked to engage in? So you had had a conversation.

JOHN DEWAR: I did have a conversation with him, but I had nothing to do with the procurement process itself.

Ms ABIGAIL BOYD: In that discussion you had, was it made clear to you that KordaMentha would be invited to tender or might be invited to tender?

JOHN DEWAR: Might be invited to tender.

Ms ABIGAIL BOYD: What was the considerations around if they would or would not in that "might"?

JOHN DEWAR: They were thinking about who else to invite into the tender, and I knew that Michael thought very highly of the work that KordaMentha had done for this other client.

Ms ABIGAIL BOYD: In that discussion then, did you say, "Being from KordaMentha, can I recommend that you do include them in the tender"?

JOHN DEWAR: It was made very clear to me that the procurement process was being run by the university and that I was not to have any input into that.

Ms ABIGAIL BOYD: No, but did you? Did you, in that conversation say, "Can I just put in a plug? I recommend that KordaMentha should be included"?

JOHN DEWAR: I didn't need to because the chancellor already had it in his mind that he would invite them in.

The CHAIR: Is it your evidence that you were told at that discussion that you were not to have—it was an active discussion that you were not to have anything to do with that process?

JOHN DEWAR: Yes. It was made very clear to me that, as a matter of probity, I would not have anything to do with that process.

Ms ABIGAIL BOYD: Sorry, in that discussion? You've had a discussion. You say that in the course of that discussion it was disclosed to you that they might be inviting KordaMentha. How did it then come up as part of that discussion that you couldn't have a say or say any sort of recommendation? Did you say, "Well, actually, I think you should invite them," and then they said, "Just hold there because that would be inappropriate"? How did that play out?

JOHN DEWAR: As I've described. I said to the chancellor that I was going to need help and that the university was likely to need assistance to put itself back on a path to financial sustainability.

The CHAIR: You suggested to the vice-chancellor that there was going to have to be a tender for external help?

JOHN DEWAR: I said that I would need some help, yes.

The CHAIR: While you're saying there wasn't discussion with you about favouring KordaMentha, the idea for contracting some external consultant help came from you?

JOHN DEWAR: Yes.

The Hon. BOB NANVA: Can I just ask, did the chancellor outline his concerns around the university's operations and workforce planning prior to the tender process?

JOHN DEWAR: The chancellor, who hadn't been in the position very long, knew that there were serious problems in the university. I don't think he'd been there for long enough to have a detailed view, but I could tell from looking at the finances of the university that there were some very serious problems.

The Hon. BOB NANVA: Did you share any of the information that was exchanged with the chancellor with any of your colleagues at KordaMentha?

JOHN DEWAR: No.

The CHAIR: Can I ask—

JOHN DEWAR: Sorry, can I just say that all of the information I had was publicly available. I didn't have any inside information until I started in the job.

The CHAIR: Information has come out during this inquiry about external people coming into universities—even if they have knowledge of the sector, but coming into particular universities and deciding that they know best what should happen at that university. You looked at the publicly available information. Did you speak with any academics, any staff, any experts? We've had expert witnesses here from the University of Wollongong who have also looked at those same figures. Did you speak with anyone before you deciding that the University of Wollongong needed this external advice as opposed to, say, seeking advice from within?

JOHN DEWAR: I did have some conversations with the chief financial officer, yes.

The CHAIR: No, not appointed management; actual academics who were either expert in the field of accounting and management and business, or academics who had been there and understood what was happening throughout the university.

JOHN DEWAR: No, I did not. I took the advice of the chief financial officer.

Ms ABIGAIL BOYD: Chair, can we just go back to that original conversation? I just wanted to clarify exactly what's gone on there then. It sounds very much to me like you have said, "Yes, I will come and do this job. I'm going to need help so it's going to be me plus whoever gets appointed for this consulting." Would that be a pretty good summary?

JOHN DEWAR: Yes.

Ms ABIGAIL BOYD: Because we put it to the chancellor that it was a bit of a package deal when he appointed you. We can have a debate about whether KordaMentha was agreed to be part of that package deal, but it does seem like the consulting project plus you was an agreement from the beginning.

JOHN DEWAR: It was never a formal part of the agreement, but I said to him, "I think the university's position is such that it's going to require more than just me to come in and help to fix it."

The Hon. ANTHONY D'ADAM: Can I just clarify during the whole period you remained a partner at KordaMentha. Is that right?

JOHN DEWAR: I took unpaid leave throughout the entire period I was at the University of Wollongong.

The Hon. ANTHONY D'ADAM: As a partner, do you have a profit share?

JOHN DEWAR: No, I don't. No.

The Hon. ANTHONY D'ADAM: So there's no profit? As a partner you don't enjoy any disbursements from the profits of the company?

JOHN DEWAR: I do but it's fixed. There's no variability in my remuneration depending on the profits of the firm.

The Hon. ANTHONY D'ADAM: It's fair to say the benefits that flow, the profits from the work that's given to KordaMentha by the University of Wollongong, flow back to you even in a small and incremental way as a partner through the profit system?

JOHN DEWAR: No. No, they did not. All aspects of my remuneration are fixed and therefore did not vary. Just as a reminder, I wasn't remunerated by KordaMentha at all during my time at the university. My remuneration is fixed by agreement and is not variable in the light of the performance of the firm or the profits it makes.

Ms ABIGAIL BOYD: So you don't have any financial interest in KordaMentha?

JOHN DEWAR: My remuneration is fixed.

Ms ABIGAIL BOYD: But shares or options or any other ongoing interests in KordaMentha?

JOHN DEWAR: I have an entitlement to a distribution of profits but that's fixed.

The CHAIR: Mr Dewar, could I ask, we now have this view of you coming in, you've diagnosed a problem that requires external help. How did you manage the conflict between you there as acting vice-chancellor for nine days a fortnight with one day off doing stuff with KordaMentha, even if it's not paid? How did you manage the conflict of managing the KordaMentha team that was at the University of Wollongong?

JOHN DEWAR: I had no role in managing that team.

The CHAIR: But you were the vice-chancellor who would have asked for an additional lot of resources to come in and help you. So how did you manage that if you had no dealings with the team?

JOHN DEWAR: The team were managed by a program control board, of which I was a member, but it was chaired by the chancellor. That's how the accountability was managed of the team to the university for the work they were doing. If I could clarify the one day a fortnight arrangement? When I started at the university, bearing in mind I'd only been at KordaMentha for a couple of months, and given I was planning to go back there after I'd finished, I wanted to stay in touch with my newish colleagues. That's why I asked for some flexibility to be allowed to join team meetings and so forth. During that time, I did no work for KordaMentha. It was purely about staying in touch with the team that I was planning to go back to work with.

The CHAIR: Can you understand how that looks? It's not a great look for either KordaMentha or the University of Wollongong, or frankly other universities, because you're privy to the inner workings of one university and you're jumping onto Teams meetings where you're considering potential work with what are, let's face it, competitors in other universities. Even if you're suggesting that—and I'm not a big believer in consultant firewalls. Sorry, consultants. I don't believe in them. But even if there was some kind of firewall there, wouldn't you have to agree that the perception of your work at the University of Wollongong, and your connection with KordaMentha, and the engagement of KordaMentha, and your inability to directly manage them, and your being on team meetings, it creates a perception that there's quite a conflict of interest there, doesn't it?

JOHN DEWAR: I agree that there is probably a perception of that, but that's why I was reassured to know that the procurement process was run with a high degree of probity by the university. And just for your information, the meetings I joined were never to discuss other client work. They were general partner meetings or team meetings, just so that I could stay in touch with what was going on. The only involvement I had in what might be called the work of the firm was in providing some finishing editorial touches to a report that we produced in 2024 while I was still at Wollongong, but that was something I'd largely written before I started at Wollongong. But apart from that, my involvement was purely about retaining collegial connections with the firm rather than doing any work or influencing anything that went on at the university.

Ms ABIGAIL BOYD: I just want to clarify the point about percentage of profits because I think that's incredibly important, because it seems now like it was a bit of a fiction, your separation from KordaMentha when you were at University of Wollongong—

JOHN DEWAR: I don't think so.

Ms ABIGAIL BOYD: If you had an ongoing financial interest where you continued to get a percentage of profits and you were entitled to then return as partner, and you had one day a week working for your firm, how on earth could you—that's not even a perceived conflict, that's a direct conflict of interest, isn't it, Mr Dewar?

JOHN DEWAR: No, I don't accept that. I accept that the request to have that day a fortnight doesn't reflect the intent behind that request. I knew that I would want to do that, I would want to stay in touch with my colleagues, and I decided that it was best if I did that, effectively, in my own time rather than on the university's time. So I thought I was doing the right thing by the university in asking for that. I can see how the interpretation or the perception might be very different.

Ms ABIGAIL BOYD: But you hadn't left. You still had a financial interest in the partnership.

JOHN DEWAR: To be clear, I was unpaid during my time at the university.

Ms ABIGAIL BOYD: But you were entitled to a fixed percentage of profits.

JOHN DEWAR: I was entitled to a fixed remuneration, part of which was made up of a fixed amount of profit.

Ms ABIGAIL BOYD: Correct, and what you did in your job at the University of Wollongong and what you did in relation to KordaMentha was going to come back to your profitability as a firm and then your direct financial interest. It's a direct conflict of interest.

JOHN DEWAR: No. I don't accept that.

The CHAIR: KordaMentha's final report for UOW notes that it had to work with poor-quality data in three areas: workforce, workload and casual staff. How would you rate the quality of the work that KordaMentha did at UOW? On what basis do you make these judgements, given that the data was poor quality?

JOHN DEWAR: The work that KordaMentha did was in two stages. The first stage was a review of the whole-of-university operating model and opportunities for increased efficiency. At that point, they did encounter some data issues, which they then subsequently tried to fix up. I don't think there were any decisions made at the end of that first phase that materially relied on the data, and the data issues were subsequently addressed in the subsequent phase of work that took place after I left.

The Hon. SARAH MITCHELL: I have some questions for Mr Yates or Mrs Walker—I'm happy for either or all to answer. In your opening statement, Mr Yates, you said that in the last 12 months it was about a \$13 million spend from the universities with EY. How does that compare over trends for the last, say, five years or so?

DEAN YATES: The \$13 million relates to FY 25, so the 2024-25 financial year. The previous year it was \$15 million. In the current year, thus far, it's \$8 million. So we would think that the amount by the end of the year would be similar in magnitude. In terms of the years prior, my understanding is that we're talking similar magnitudes, but I'm happy to provide that information to the Committee.

The Hon. SARAH MITCHELL: I guess I'm just trying to understand whether there's been a significant increase or decrease in consultancy spend from what you've seen.

DEAN YATES: I don't believe there has, but I'm happy to provide that detail on notice.

The Hon. SARAH MITCHELL: That would be great. Then you also talked about the three key areas: internal audit, cybersecurity and platform implementation. I'm curious to better understand how you manage—I think conflict is probably too strong a word, but with some of the universities if you've done auditing work with them but then you do some implementation work, how do you manage that sort of relationship?

DEAN YATES: It's obviously a pivotal part of what we do. Particularly in internal audit arrangements, we need to be very careful about what we're reviewing and what we're auditing. But I might ask Mrs Walker to answer that question more directly.

LEIGH WALKER: Thanks, Dean. Yes, it is really important, particularly if we're appointed as the internal auditor. The universities, or all of our clients that are internal-audit clients, demand that from us. They'll set up specific procedures that we'll follow, the first one being that we'll make our own initial assessment of whether we think we could do the work. Quite often it stops there because we say, "No, we can't." If we do think we could do the work, if it's on an area of the university that is not subject to the internal audit procedures, we'll make that assessment and then take it to whoever our key contact is at the university for that internal-audit contract, to say, "This is our expectation that we can do the work. Can you please let us know your thoughts? Can you agree or disagree?"

Obviously, if they disagree and say, "No you can't," then, again, it stops there. I know you don't like ethical dividers, but most often we will implement ethical dividers if we can do the work, to make sure information is quarantined so that we have digital barriers so that the two engagement teams cannot access each other's engagement files and engagement information there. We'll agree with the university that the appropriate protocols are in place and then, ultimately, information is shared with the audit committee.

The Hon. SARAH MITCHELL: It's effectively up to the university to determine whether or not it's appropriate for your firm, or any firm, to be doing simultaneous work.

LEIGH WALKER: Yes.

DEAN YATES: And the internal audit committee tends to have a forward program which outlines what work will be done over the next two or three years. If something's on that program which relates to the work then it's just a no-go area for us.

The Hon. SARAH MITCHELL: This is probably to you as well, Mr Dewar, if you wanted to comment. It's just a broader question. One of the issues that has come up a bit in these hearings so far is basically the reporting of consultancy spends by universities. I think it was Macquarie and Sydney Uni do it as a separate line item, but others just sort of put it in other spends. Any sort of views on having standardised reporting just in the interests of transparency and accountability across all universities, and how, from your perspective, you think that would work? Is it a good idea? Is it something the Committee should be looking to do?

LEIGH WALKER: In the 2023 committee that was one of our recommendations, more across the whole public sector, that we felt that could really help improve transparency if there was standardised disclosure

and standardised definitions around what is a consultant, what is a contractor, what is a third-party supplier, so that there is that comparability across the sector. We do think that is something that could be done by Treasury to define that and to be the central holder of that information that universities or any other public sector entities should be disclosing that information.

The Hon. SARAH MITCHELL: Mr Dewar, do you have a comment on that?

JOHN DEWAR: I do. I would support more transparency in the reporting of consulting spends. There are inconsistencies at the moment between the States. A lot of expenditure is reported as consulting expenditure, which is actually the cost of doing business. Contractors, payment to international student recruitment agents, all get lumped into that reported spend. I think it would be in everyone's interests if there was more clarity about what actual spending on consultants and contractors and the like really is.

The Hon. RACHEL MERTON: If I could just pick up the issue just in terms of the fees generated. Do we have a breakdown between sort of assurance versus advisory, if you know what I mean—relevant to managing this conflict between audit and non-audit of those fees?

DEAN YATES: I don't have that breakdown with me, but I'm happy to take that on notice for you. I think of the amounts that I quoted, the vast majority would be assurance related, but I'm happy to provide you with the detail.

The Hon. RACHEL MERTON: And that fee money was relevant to universities across New South Wales?

DEAN YATES: That's right.

The Hon. RACHEL MERTON: Mr Dewar, if I could just pick up your issue, following from Madam Chair here, the point's been made, you talk of your managing conflicts, the importance of the independent procurement and that you were not part of any discussion on this. I guess the issue then comes to us, how do you define the role of a VC and how can you do that job if you're cutting yourself out of these discussions relating to the operation of the university and review and reform?

JOHN DEWAR: The work that I saw myself as needing to do was a whole range of things. As a vice-chancellor, you have to do a whole range of things. The financial sustainability piece of work actually came in two phases. The first phase, which occurred when I was there, was a review of low-enrolment subjects, courses and disciplines. That was a process that was done entirely internally. KordaMentha were not involved in that. I had a very active role working with the deputy vice-chancellor and the executive deans to oversee that first phase of work.

The work that KordaMentha did was really planning for the next phase and, as I've said, most of it was done after I left. I was involved as a member of the program control board, but that was looking more to the future, and I was very engaged in very much the day to day of trying to make sure that for the time I was there, I did everything I could to put the university back on a path towards financial sustainability. There was plenty for me to do day to day as a vice-chancellor. That planning of the next phase of work was an important part but, as I've said, the team were held accountable by the program control board that consisted of a mixture of council members and executives.

The CHAIR: That program control board, did it have any elected members on it?

JOHN DEWAR: No. It might have had an elected member of council, but I don't think it had any members elected directly to it.

The CHAIR: Is it your understanding it had an elected member of council on it?

JOHN DEWAR: I'll take that on notice, Chair. I'll need to check. I can't recall.

The CHAIR: You can't recall if in the room there was a staff representative or a student representative when you were making decisions about the future of the university?

JOHN DEWAR: No decisions were being made at that time. These were initial preparatory pieces of work in order to develop a proposal.

The CHAIR: Can you then clarify what the board did? You've said that was the oversight mechanism for decision-making to keep you out of the loop with KordaMentha, but now you're saying it wasn't the decision-making.

JOHN DEWAR: It was the accountability body. I think that's what I've said.

The CHAIR: You made the decisions, but they held you accountable?

JOHN DEWAR: It was the accountability body for the work that KordaMentha were doing. As I said, that was essentially looking ahead to the next phase of financial sustainability work that the university needed to do.

The Hon. RACHEL MERTON: Mr Dewar, earlier you were speaking about the procurement arrangement with KordaMentha being invited to tender. How many tenders were received for that piece of work?

JOHN DEWAR: I'm not sure. I wasn't involved in that process, so I don't know.

The Hon. RACHEL MERTON: But in terms of your knowledge, maybe, of the procurement process, is it advertised for expressions of interest or people are approached by saying, "Hey, we need some help. Come on board"?

JOHN DEWAR: Universities can do both things. They can run what are called open tenders, where anyone can apply, and they run closed tenders, where providers are invited to submit tenders.

The Hon. RACHEL MERTON: Would you have knowledge of what the tender process was, relevant to this work?

JOHN DEWAR: No, I think it was a closed tender process. Beyond that, I don't know.

The CHAIR: I'll go back to EY. You did some work reviewing a program and its progress at UTS. When I say "you", I mean in the collective sense. It was reported in the AFR in January this year that EY had found that there was a breakdown in the relationship between the Workday program director—so implementing a big part of the OSI shift at UTS—and Deloitte, with the project lacking "the mechanisms to monitor and manage the performance of Deloitte". How did you come to these conclusions and how often are consultants brought in to evaluate other consultants? Who paid for that?

LEIGH WALKER: Our role was as the independent assurance partner for the overall program. The program was the ERP implementation program by UTS.

The Hon. SARAH MITCHELL: Sorry, what's ERP?

LEIGH WALKER: Enterprise resource planning. It's linking the finance and HR systems. As Dean mentioned in our opening statement, it's similar to that once-in-a-generation platform implementation project. It is best practice for these sorts of large technology and change management projects to have independent assurance, and that was the role that we played. Importantly, it's independent assurance over the whole program. It's not over a consultant; it's over how the university is working with one or many other consultants and how they're working with their internal teams. It's looking at that across the full range, and looking at governance and looking at risk, identifying—

The CHAIR: And clearly you found some problems.

LEIGH WALKER: The team that looked at it was assessing the risk around the delivery of the work, assessing whether there is appropriate set-up. Our recommendation was about clarifying the accountability and clarifying the relationships between the different parties as part of that project. We identified ways in which they could work better together.

The CHAIR: Do you have any follow-up with that? After identifying ways that they can be better together, do you then follow up and see if that has happened? Is there any further role in that?

LEIGH WALKER: We would continue to assess the program as it goes through, all the way through to delivery. It wouldn't necessarily be following up that specific recommendation or the challenge or, like I said, the recommendations we provided. It would be looking at the program in totality.

The CHAIR: I presume you have technical expertise with regards to the particular platforms et cetera. What expertise does EY hold in terms of the tertiary education sector? Who does your work? Who are the people on the ground? Have they ever worked at a university? What are the qualifications? Clearly, they've gone to university, given your appeal to graduates. But what actually is their expertise in tertiary education?

DEAN YATES: Yes, we've got a range of skill sets at the firm, with a range of backgrounds and experiences. We don't have staff, as far as I'm aware, in New South Wales, who have worked directly at a New South Wales university, but we have a lot of staff who have worked in New South Wales universities. Quite often the work we do is at arm's length. It is independent. It is assurance. It's very important to have people who aren't necessarily intimately involved or have been at an organisation. It's someone looking independently to make sure that it's meeting its assurance obligations.

The CHAIR: With those three areas that you spoke about: audit, assurance—I forget what the third is.

DEAN YATES: Cyber, assurance and platform implementation.

The CHAIR: It seems to me—and we've had other consultants talking to us as well—that you do less of the change management, restructure consultancy and more technical work. Would that be a fair assumption or do you do some of the other work?

DEAN YATES: We do some of the others for other clients but, for universities in New South Wales, this is our area of focus and attention. As I mentioned earlier, that's what generates the dollars we talked about.

Ms ABIGAIL BOYD: Mr Dewar, are you aware of this arrangement where a KordaMentha partner has gone in to take a role in a university of the kind that you took? Is that replicated anywhere else? Are there any other universities where that's happened for KordaMentha?

JOHN DEWAR: No, but let me be clear that the university came to me not because I was a partner at KordaMentha. They came to me because I was an experienced vice-chancellor who had recently stepped down. They thought, given their needs at the time, that I would be a good person to fill that role temporarily. I would not accept at all that I was appointed as a partner of KordaMentha. I was appointed as an experienced former vice-chancellor.

Ms ABIGAIL BOYD: How many partners or employees of KordaMentha have or have had positions in universities?

JOHN DEWAR: Some. In fact, the colleague who led the work at the University of Wollongong was herself a former chief operating officer from a big Victorian university. She's very highly regarded and very experienced in the sector.

Ms ABIGAIL BOYD: But at the same time. In terms of taking leave or while they're still working—there are a lot of consulting firms that have their partners or employees sitting on university councils, for instance. The question really is how many does KordaMentha have.

JOHN DEWAR: Members of council?

Ms ABIGAIL BOYD: Or taking a break from their work at KordaMentha to go and work as an employee or have some role at a university.

JOHN DEWAR: It's quite common for consultants from any firm to do executive secondments for a period of time. That is quite common.

Ms ABIGAIL BOYD: Could you give us details on notice of how many you have at KordaMentha?

JOHN DEWAR: Specifically in the university sector or more generally?

Ms ABIGAIL BOYD: Just in the university sector.

JOHN DEWAR: I don't think there are any currently in the university sector, but all I'm saying is that it's quite a common model across the board for consultants to step in for a period of time to take on executive roles.

The CHAIR: We have come to the end of our time. There are a couple more things that we would probably like to ask, but we will put those as supplementary questions. Thank you all so much for appearing today. We do appreciate you taking the time out to do that. We will be in touch regarding questions taken on notice or supplementary questions, and the secretariat will get in touch regarding timing, given that we've also got Easter in the interim.

(The witnesses withdrew.)

Mr LEA PATTERSON, President and Chief Executive Officer, Pilbara Group, before the Committee via videoconference, affirmed and examined

Ms MICHELLE BROOKE, Program Manager, Pilbara Group, before the Committee via videoconference, affirmed and examined

Mr ADAM GALLARD, Chief Product Officer, Pilbara Group, before the Committee via videoconference, sworn and examined

The CHAIR: Thank you very much for making the time to give evidence for us today. Would you like to start by making a short statement?

LEA PATTERSON: Chair and members of the Committee, thank you for the opportunity to appear here today. Our company, ABM Technologies Australia Pty Ltd, trading as Pilbara Group, commenced operations in 1999, and our US company, Pilbara Group Inc., started operations in 2002. Our area of expertise is the development of large-scale operational models for complex organisations. Starting with the Royal Australian Navy over 27 years ago and then working for the US Navy Pacific Fleet and Atlantic Fleet, we've also worked in resources, insurance, gaming and a range of government agencies. We started developing models for higher education institutions in Australia around 2007, with the US and Canada starting a few years later.

Our three core solutions are higher education modelling, oil and gas decommissioning models and environmental models. Our higher education models are based on a tailored, activity-based costing methodology, and are designed to help universities better understand the costs of their primary products, including teaching, research, community support and commercial products. The models have a particular focus on teaching and calculating costs, revenue and margins, all the way down to individual course/subject instances. That includes when, where and how each subject and degree is taught. Many universities already do this type of analysis, but it is often done via spreadsheets and may only model a subset of the university—for example, just the direct school and faculty costs, or only at a high level. Our models cover the entire institution at that low, granular level, which is important as they capture the complex, many-to-many relationships of subjects to degrees and all the usually hidden cross-subsidisations between teaching, research and between schools.

These detailed models require data from multiple source systems, including financial management, HR, payroll, facility management, timetabling and student management systems. Cleaning and connecting all this data is a complicated process, and there is too much data for standard spreadsheet analysis. Our experience with these types of large, complex models has allowed us to reduce the time frame to build from multiple years down to around seven weeks. We've also developed our own proprietary modelling software, Pilbara Insights, that enables us to build very large models very quickly. As mentioned previously, our area of expertise is modelling. We do not research the sector or provide any strategic advice or guidance to universities. Thank you again for the invitation to participate in this inquiry, and we welcome your questions.

The CHAIR: That was very helpful and pre-empted some of the questions I had for you. I did want to start off by asking which New South Wales universities you have worked with in the past and which you are currently working with.

LEA PATTERSON: Right now we are working with Charles Sturt University, Macquarie University, University of New England, University of Technology Sydney, Western Sydney University and the University of Wollongong. Previously we have worked with the University of Sydney and the University of Newcastle.

The CHAIR: One of the reasons I asked that is that we had the opportunity during our budget estimates sessions to have the vice-chancellors or their representatives here with us, much to their joy. I asked them which of their universities had engaged Pilbara Group, and not one of them admitted to having heard of you. I don't mean that in a mean way. It sounds like you've got quite the business there, but how would you explain that?

LEA PATTERSON: We usually work in the finance area. Because we're in modelling, we're under the CFO but usually operate with analysts and financial managers and support them doing their modelling. Unless a specific report has our logo on it, they will just get reports from the analyst team and there's probably no indication that we help them out there at all.

The CHAIR: If I could maybe get a better understanding, you say you don't provide analysis. You popped up in a freedom of information call at Macquarie Uni and your name was in their documents about the rather dramatic restructure that they're undertaking. If you don't provide an analysis—you said it's not a spreadsheet—do you just provide numbers?

LEA PATTERSON: Yes, the model. We'll build that model for the institution and all the appropriate reports that come out the back end, and then their analysts will do the analysis of those reports.

The CHAIR: I'm certainly no data analyst, but I know that, with any model, what you get out of it is a function of the questions you ask. For each of these universities, do they provide you with a set of questions that they want answered, or do you say, "This is what we provide, if you want it or not"? You've listed the universities you work with. Many of those have undertaken drastic cuts to courses, subjects and staff. Do you respond to their particular requests or the questions they ask?

LEA PATTERSON: If they ask for particular reports to be developed, then we will develop those reports. How those reports are being used, we don't get involved in that process.

The CHAIR: No, but a university could say to you, "We would like to know the least profitable courses in our university."

LEA PATTERSON: Correct, yes.

The CHAIR: Without anything around that, they can just ask you for that and you can provide that, per whatever metric they're looking for?

LEA PATTERSON: Correct.

The CHAIR: Macquarie University is interesting, because you did some work with them. Could you explain a bit, obviously at a high level, the work you did for them?

LEA PATTERSON: Sure. It was an activity-based cost model that we put together for universities. I think it was 2022 when we started the process. We built for them that model and developed all their reports that they needed. We also update the models every year, and we're right in the middle of it right now, because all of the financial years ended at the end of last year. We update their models with the latest full-year data from all their various systems and update all their reports and provide that back to them. Again, it's at that low level of detail, so they can see those costs all the way down to those individual subjects and courses.

The CHAIR: The data that you get from universities, do you build out benchmarks using that information?

LEA PATTERSON: Yes. The outputs of the models we'll use to put together our benchmarking solution. It actually came about after the transparency in teaching requirement from the Federal Government where our client universities wanted to be able to see how they compared to other institutions that were in our core group of clients. It's opt in only, so if they want to provide their data, they can, and then we'll anonymise and aggregate that data and put that together in a benchmarking tool. Originally it was just in a Power BI report, but now we've built a benchmarking tool around that.

The CHAIR: The universities who give you their data—data is obviously really valuable; any data is really valuable—does that mean they get the benchmarking tool for free if they give you their data?

LEA PATTERSON: Correct.

The CHAIR: They're essentially giving you their data knowing that you're going to use it for other things, but then they don't have to pay you for that benchmark?

LEA PATTERSON: Correct.

The CHAIR: How do you make money off your benchmark if all the universities are giving you their data for free and then you're trying to hawk it to the next university, but they're giving you their data for free? What's the model for that?

LEA PATTERSON: The revenue comes in through two areas. There's the software licence, so the model that we have—our proprietary modelling software. We charge a licensing fee for that, and we also charge a consulting fee for the building of the initial model and then updating of that model on a regular basis.

The Hon. ANTHONY D'ADAM: How different is the model between universities? How much customisation is involved?

LEA PATTERSON: We've got a standard methodology that we develop, but there are differences between different business rules and everything that get enacted—get implemented into the models. In fact, in our benchmarking tool, we've developed what the differences are, so they can see how other universities—what types of business rules they use to allocate costs within their university, so they've got a bit of a feel for how different they are.

The Hon. ANTHONY D'ADAM: Can you give us an example, just so that it's a bit easier to understand what kind of business rules you're talking about?

LEA PATTERSON: I can pull up something right now. I'm just going into the actual tool itself. The whole idea is to provide the data back to the sector for the benefit of the sector, because we do the same with the Melbourne Centre for the Study of Higher Education—again, with client permission. We provide them with data for free to analyse, so they can analyse and have a look at the important details that are helpful to the sector.

The Hon. ANTHONY D'ADAM: How many variables could there be? I mean, obviously the staff costs are presumably the primary cost input in course delivery. I don't know—nominal rent? There don't appear to be that many variables, and presumably your staff costs are contingent on whatever the rates are for your enterprise agreement that applies at the university, so you can calculate how much the staff cost input is.

MICHELLE BROOKE: I can speak to this. We obtain the actual general ledger information from each client, so their audited financials. That goes down to the lowest level. If you buy an airfare for \$300, we've got that transaction. If you pay 10,000 staff, we've got that at the lowest level. We obtain that data by cost centre, account code, fund, project code, amount, month, date et cetera. We get the lowest level of transaction data. That could be a million rows of data for one client, because it covers the entire year. We get payroll data for staff, so we can actually determine that person A was paid \$28,000 and they were 0.3 of an FTE for the year, they started in August and continued to the end of the year et cetera. We obtain student data at the lowest level, so we can see, for a given subject, all the students enrolled, what field of education that subject was, what degree they were studying, what campus—

The CHAIR: Ms Brooke, could I just jump in right there. Who gives you permission to see that data? Do the staff give you permission to see their payroll data? Does the student give you permission to see their enrolment data? How do you get permission to see that data at that level? You've said there's a level of granularity where you can see individuals' transactions. If I, as a staff member, go for a taxi ride, you can see my receipt. Who gives you permission to do that?

MICHELLE BROOKE: The university provides it to us. At the beginning of every model implementation, we do a scoping study. The university provides us with an extract of the data that is required to build a model, and we go through it and test that it's fit for purpose and there's no major data gaps or anything like that.

The CHAIR: So you don't ask the university whether they've asked their staff whether they can provide an external consultancy with information about their payroll and their personal details? That's not something you worry about; you let the university—

MICHELLE BROOKE: That's not our remit, no.

Ms ABIGAIL BOYD: I understand—I've just been looking through your website—you track the course efficiency and cost management by split of permanent and casual staff. Is that correct?

MICHELLE BROOKE: Where a university has that data, yes.

Ms ABIGAIL BOYD: I'm looking at one of the blog posts on your website. Granular staff cost allocation—you say, "Traditional accounting typically shows total salary expenses by department," but your insights model reveals the "precise allocation of permanent versus casual academic staff across specific courses and programs". Are you aware of how that is then used—that data?

MICHELLE BROOKE: How we use it, or how it's used internally?

Ms ABIGAIL BOYD: How it then spits out back at the university, and how the university then uses it.

MICHELLE BROOKE: A university can provide us that, within this school or discipline, these staff taught subject A, B and C, either by hours or percentages, so we can allocate time, effort and hours through to those subjects and, therefore, to degrees. The resulting reports are then available. We develop a suite of reports for clients. They can then develop their own, and we don't have any visibility of what reports they develop internally or how they use that data internally. If they wanted to look at staff allocations to subject, it would mimic what they gave us.

Ms ABIGAIL BOYD: You've got here an example where you say:

For instance, the Bachelor of Psychology program shows that permanent academic staff represent only 26-32% of total academic costs, with the remainder split between casual academics (19-20%) and professorial staff (both permanent and casual). This granular view enables much more sophisticated workforce planning and cost management.

This is interesting for us because, if these reports are being used to justify job cuts and restructures, that can be quite a problem under various enterprise bargaining agreements and other things. Has that ever been brought to your attention as an issue, or is it just that you provide the data, and what it gets used for is not your issue?

LEA PATTERSON: Yes, that's correct. We will do all of that modelling for them and building those reports, but how they actually use that inside the organisation and what decisions they make—we don't get involved in that.

The CHAIR: Ms Boyd, could you just read that last bit?

Ms ABIGAIL BOYD: "This granular view enables much more sophisticated workforce planning and cost management."

The CHAIR: Sorry, Mr Patterson, I just want to pick up on that. I think it was on one of the first questions that you said, "We don't provide any analysis." You're providing a pretty heavy hint there, though, aren't you? You're not saying what you should do, but you're saying, "Look here, because we can make this more efficient for you." It's a fine line between a very heavy suggestion and an analysis of the actual figures, isn't it?

LEA PATTERSON: Yes. What we're trying to do is figure out how they could possibly use the results of the models to better manage their organisation.

The CHAIR: Mr Patterson, I'm sorry to interrupt you, but that's a little disingenuous—how they possibly might use that—when you've suggested that they could make cost savings out of looking at the staffing levels. You're suggesting to them that they can make cost savings out of looking at their staffing.

LEA PATTERSON: That's one thing they can do. One of the other things we've been looking at with our models is particularly looking at margin improvements inside universities without having the requirement to reduce staffing. Are there ways that universities can increase their financial performance from a margins perspective without having to reduce costs on the personnel side?

Ms ABIGAIL BOYD: Just a couple more questions on this. For example, the Macquarie agreement—EBA clause 12.2 states that the university "will not use casual employment to perform work that could reasonably be performed on a continuing or fixed-term basis". When a university has an agreement like that in place, where it simply cannot take into account the maximum efficiency of casual versus permanent as though it's not bound by any rules, do they give you that information so that you can then ensure that your model gives them the data they need to make decisions that won't breach their agreement, or are there no parameters put around the model that you then provide to them?

LEA PATTERSON: I've got no specific example that relates to that. If they want to provide us with changes they want made to the models, they can. We're completely open to making changes if they bring that to our attention and say, "Look, we need these changes made in the model so that we don't include that particular data." But we don't sit down and go through all their rules and regulations on what should and shouldn't be in there. It would be up to them to let us know any changes they want made.

The CHAIR: Is your model law agnostic across the board? You don't take into account any of the legal frameworks when you're coming up with your model? You're just operating in a data vacuum for any aspect of higher ed?

LEA PATTERSON: Yes. We'll have a standard methodology that we use, and standard data sources that we use, and standard business rules that we use to build up that initial model, and then we provide that to the university. They can go through and have a look at what the outputs are of those models, and they can make as many suggestions as they want to change those models to reflect whatever their particular issues are.

The Hon. ANTHONY D'ADAM: One of the factors that's built into the model is the proportionate student mix between university HELP places and international students. At a granular level, you look at a course and see what proportions are international and domestic. That goes to the profitability, presumably, of a particular course. In your observation over time—obviously, you're benchmarking—do you observe shifts in the behaviour of the universities in terms of how they're structuring that composition?

LEA PATTERSON: Good question. I haven't seen changes in behaviour. We do model that in—

The Hon. ANTHONY D'ADAM: You do make an overarching analysis as part of your benchmarking process of how this cycle of data and analysis and then implementation is shifting the overall behaviour of universities?

LEA PATTERSON: We can see trends over time in the benchmarks, yes.

The Hon. ANTHONY D'ADAM: What kind of shifts are you observing? For example, in terms of the staffing complement in relation to courses, are universities trying to deliver more courses with less experienced staff? Presumably, a first year lecturer is lower on the incremental scale and marginally cheaper, so it's better to

engage more of those than more experienced staff. Is that an observable trend that you've been able to detect in your analysis over time?

LEA PATTERSON: I couldn't report on that.

The Hon. ANTHONY D'ADAM: You could take it on notice.

MICHELLE BROOKE: The majority of our models don't go down to that individual staff level. In a number of the models, the personnel are rolled up, so there's no way to identify that this was a level A academic versus a level E academic. In the benchmarking data, we don't provide any trends on overall levels of academics or anything. It's just purely academic FTE, casual academic FTE and professional FTE.

The CHAIR: I thought you said you went down to a very low level of granularity with costs. The difference between a level A and a level E is huge in terms of cost per subject, if you're trying to allocate costs. You don't include that?

MICHELLE BROOKE: It depends on the client. Not all clients can provide very detailed workload data. Some can provide that this level E taught subject one, two and three. Others might just say that, for this particular discipline of ancient history, it was a split of 40 per cent of their time spent teaching, and we don't actually get the detailed subjects. We do get that spectrum of data that's available from clients.

Ms ABIGAIL BOYD: Is your software able to produce a report that would then rank an individual academic's research performance?

LEA PATTERSON: No.

Ms ABIGAIL BOYD: You can't do that?

LEA PATTERSON: No.

Ms ABIGAIL BOYD: There was some nodding on the screen that perhaps Hansard wasn't able to pick up when Mr D'Adam was asking questions about the revenue streams. Looking again at your website, you say:

5. Revenue Stream Dependencies

Traditional accounting might show total tuition revenue, but the insights model reveals:

- **Commonwealth grant scheme dependency** varies dramatically by program, with some courses receiving 2.8 times their expenses in CGS funding, while others receive none
- **HECs revenue concentration** in specific program types, creating vulnerability to policy changes
- **International student revenue** clustering in particular faculties, creating both opportunity and risk concentration

Presumably, then, from your software, a university could look at a particular course and, based on what it thinks it's going to attract in terms of international students, it would then be able to work out which courses to cut. Is that the idea—that, if you had something that was really not attracting international students, that might be a less desirable course for a university to keep operating? Is that the purpose of that?

MICHELLE BROOKE: There's a range of reasons. Just because a degree or a course does not have international students, it's definitely not a reason to stop teaching that course. There is a massive number of degrees that are still profitable and they only contain domestic CGS students. It does depend on the discipline. Because of the way that the JRG funding occurs, there are some that may have a higher margin than others. The mix between international and domestic students will or can play a part in the margin of that degree. But it's definitely not the only reason. There will be numerous other reasons why you may need to continue teaching that subject or course other than just plain margin.

Ms ABIGAIL BOYD: The final thing from this very informative website is:

4. Resource Utilisation Inefficiencies

The detailed tracking of delivery hours, preparation time, and student engagement reveals hidden inefficiencies:

"Disproportionate preparation time for some courses relative to actual delivery hours" is given as an example. I know you're not responsible for how your model is used, but is that then driving work intensification? If that model is tracking that sort of data, is that the purpose that universities are using it for—to try to maximise the amount of work they get out of each academic?

MICHELLE BROOKE: I think, as part of the benchmark—we report on where that client sits in comparison to other clients within the sector. They see the median of that particular dimensional benchmark that they're looking at. If they can see that, on average for ancient history, there's an average number of hours needed to teach, prepare and mark and assess a particular discipline, then they will see where they sit in that range. Are

they doing it in the bottom quartile or are they in the top quartile with respect to the number of hours needed to teach? What they do with that information is entirely up to them and it's internal to that institution. It just gives them where they sit compared to the other clients.

Ms ABIGAIL BOYD: And it's just quantitative rather than qualitative—

MICHELLE BROOKE: Definitely.

Ms ABIGAIL BOYD: So you're not looking at whether that then results in a better course delivery.

MICHELLE BROOKE: Yes.

Ms ABIGAIL BOYD: Where do you get that data from, then? Does that mean that academics are having every hour of their day tracked, and then that information is being given back to you? How do you get that data?

MICHELLE BROOKE: Clients provide us with workload data. As I mentioned before, there is a spectrum of detail across our Australian clients. Some can provide it by individual—they can tell us that this professor in this discipline taught subject one, two and three, and this was 5 per cent of their time, or this was 10 per cent of their time. Others just say that they spent 40 per cent teaching and 40 per cent doing research, and we don't get that granular level of detail.

The CHAIR: Ms Brooke, every time you say "ancient history", I flinch because that's one of the areas that Macquarie did cut after you guys spoke to them. Maybe we use another example; it's making me flinch. We've got Macquarie in here later. You don't want to rev me up too much before they get here.

The Hon. RACHEL MERTON: Thank you very much to the three of you. Mr Patterson, this might be more for you. At the opening, you spoke of the work that you do for the universities. I think there were six universities in total you spoke of. I'm just wondering whether you've got any direct contracts in place with those universities for this work you provide.

LEA PATTERSON: Yes, we do. At the moment, of those six, we're currently updating all their models.

The Hon. RACHEL MERTON: I'm happy for you to take this on notice, but would you be able to provide details in terms of what the value of those contracts are to each university and possibly what the history might have been over the last, I don't know, five years or since your offering was made available?

LEA PATTERSON: Sure. In the current financial year—this is what has been invoiced and what's to be invoiced for the current universities, and this revenue includes both software and the services to actually update the model—Charles Sturt University is \$95,700, Macquarie University is \$107,415, University of New England is \$90,860, University of Technology Sydney is \$91,960, Western Sydney University is \$87,780, and University of Wollongong is \$46,530.

The Hon. RACHEL MERTON: Thank you. In terms of the procurement for such work, is it closed or an open procurement arrangement? Sorry, the tender.

LEA PATTERSON: It's usually just a direct purchase order. It's not an open tender. It's usually just a direct purchase order.

The Hon. RACHEL MERTON: Are there other providers doing similar work to you in this space, in terms of modelling?

LEA PATTERSON: I believe so. I'm just trying to think off the top of my head. I mean, all the consulting firms do this type of modelling.

The Hon. RACHEL MERTON: In terms of the nature of this work, how is it categorised or considered? Is it consulting or—

LEA PATTERSON: What to categorise it on their side?

The Hon. RACHEL MERTON: Yes. Is it business advisory? In terms of transparency about where universities are spending their money, how would you be categorised or captured?

LEA PATTERSON: It might come under contractor, maybe, on the university side. The software will come under a software spend. For some of the New South Wales universities, we have the master IT—what's it called? It's the master IT agreement for the New South Wales Government—master IT supply agreement.

The Hon. RACHEL MERTON: Is there a requirement by the Federal Government for unis to provide a level of transparency, which is what this modelling may produce?

LEA PATTERSON: There was the Federal Government survey into the transparency of cost, which was run by Deloitte for a few years. It hasn't been run for—

MICHELLE BROOKE: Since 2022.

Ms ABIGAIL BOYD: Can I ask one more question? If a report is produced, and that then results in a decision to cut or restructure, based on that report, how would staff and unions be able to view the underlying data? Is that something that is then available at the university's end? Again, I understand that you're not responsible for that decision, but how do they then analyse that data to make sure that it does what it said it did?

LEA PATTERSON: The data is available to our primary users, which is usually in the finance office. Some of them share it with schools within the university. Some just have it within the finance department. We're trying to make it as easy as possible to share the data with as many people as they can by actually starting to implement an enterprise licence, which means they have unlimited users but then they control who has access to that data from the finance office.

The CHAIR: One of the things that we've heard across the inquiry is that often the data provided to external analysts doesn't actually reflect the reality on the ground. I've been an academic in a business school. Sometimes what you're told is happening in your school is absolutely not what's happening in your school, but the central data says something different. Do you seek to verify your data at all by talking to staff?

LEA PATTERSON: Yes. The core data we get is from the standard central systems—so finance, HR, payroll. One of the benefits of this type of modelling is that when it does get sent to schools and faculties to review, they can pick up any problems. If anything looks a bit weird, they can feed that back and say, "No, that's wrong."

The CHAIR: Isn't it if it gets sent to them, they can review it?

LEA PATTERSON: If it gets sent to them, yes.

The CHAIR: If it gets sent, not when it gets sent to them.

LEA PATTERSON: We don't know if they do provide that to every school and faculty. In fact, we gave a presentation of our benchmarks to the deans of sciences, just to let them know that this type of data exists. But from our perspective, no, we don't know who they provide that data to inside the university.

MICHELLE BROOKE: I was just going to point out it's important to note that the dollars, the general ledger that we receive is audited and needs to reconcile back to each client's annual report each year. We're not getting data that no-one has seen; it has been signed off by whoever their auditor is or the ANAO et cetera. Likewise with their student data, the student data that we get is what they provide to the Federal Government on an ongoing basis. So, again, there has been a whole lot of review internally before we get it.

The CHAIR: I don't quibble with that. I quibble with "Do you know what course I'm teaching? Do you know that I'm a 40-40-20? Do you know all of that kind of level?" which you say you go into. That can vary widely between what's happening in a school, then the faculty, and it goes up and up and it can vary quite dramatically. That's one of the things I'm interested in. I've asked you about staff and whether someone has agreed to release staff information. When you talk about granular-level data, does that mean you could potentially identify people? If you've got granular data down to a subject being taught, presumably that means it's identifiable. People are identifiable in the data.

MICHELLE BROOKE: Most clients will de-identify their HR data when they provide it to us and also de-identify their student data, so we can't tell who it is. It's just a hashed number.

The CHAIR: Except if I'm the only person teaching industrial relations to a postgraduate group and you collect data based on a subject code or a subject name, everyone knows that I'm the person teaching industrial relations, so it is identifiable. If it was a research project and that was an ethics application, that would not be allowed because you could easily identify me as the person teaching. You can still identify from your data, can't you, who's teaching?

MICHELLE BROOKE: The report suite that we put together doesn't go down to the individual level from the HR data point of view. It just looks at the general ledger data. It will show academic salaries going to that particular postgrad course, but it wouldn't show who the people were teaching it. We look at the general ledger side.

The CHAIR: I know, but if we're talking about identifiability, if there's one subject with one teacher, you can take my name off it but it's still easily identifiable that it's me teaching it, isn't it?

MICHELLE BROOKE: It would be to the people within your school, yes.

The CHAIR: Privacy isn't protected is what I'm saying because you can identify people from the data.

MICHELLE BROOKE: I suppose if people went into that level of detail, they could within that school, yes.

The CHAIR: Isn't that the point of this? Isn't the point of this to be able to identify by subject, then up to school level, then up to faculty level, the costs associated with each so you can identify areas of efficiency? You need to be able to identify. That's what your model is built on, isn't it?

LEA PATTERSON: The whole idea is to be able to identify the cost. The cost is just a measure of the—

The CHAIR: Sorry. The cost is a person in this case, isn't it? It is a measure, but it's also a person who can be identified and who you're then implicating in—even though you won't say it in your report, because you don't provide the analysis, but suggesting that they are more or less efficient based on the data you've got.

LEA PATTERSON: Our intention has never been to identify individuals. That's why we try to get hashed details and don't report individual names in the reports that we provide. Could people reverse engineer and try and figure that out? Yes, they could.

The CHAIR: I appreciate you're not they're trying to identify. I do appreciate that, Mr Patterson. I'm just saying that it doesn't take a lot of detective capabilities to put names to numbers, and it has real-life implications for the people who can be identified. I appreciate we've taken you a few minutes over time. We very much appreciate you being here. It's fascinating to hear about the work that you do. We might have asked you to take things on notice. We will most likely send you some supplementary questions. The secretariat will be in touch. We are mindful that there's the Easter break in the interim as well, but thank you. We appreciate the three of you being available to speak with us today.

(The witnesses withdrew.)

(Short adjournment)

Professor S. BRUCE DOWTON, Vice-Chancellor, Macquarie University, affirmed and examined

The CHAIR: Welcome, Professor Dowton. Thank you for joining us here today and making the time to give evidence. Would you like to start by making a short statement?

S. BRUCE DOWTON: Thank you for the opportunity to provide evidence at this inquiry. I am the Vice-Chancellor and President of Macquarie University. No inquiry into the university sector would be complete without recognising, I believe, the significant economic and social contribution universities make to our State. At a time when societies, governments and political parties are questioning the social licence of universities, it is perhaps salient to start out my testimony by noting that I believe universities have always and continue to provide incredible social and economic benefit to their societies across this State and indeed all western democracies.

All the professions which serve our societies—the doctors, nurses, allied health professionals, teachers, lawyers, architects, engineers, social workers—all have had university educations. There are significant discoveries happening at universities which provide incredible benefit to our world. One only has to stop and note the discoveries of universities in this country which have changed the health and wellbeing of our people and people around the world. To mention just a few: the discovery of the cochlear implant; the discovery of the cervical cancer vaccine; the seminal work around solar power; and indeed, at my own university, many decades ago the discovery of the basic technology that enables us all to use wi-fi every single day. These exemplify the incredible work done by our universities.

Since 1964, Macquarie University has served as an anchor institution in Australia's first innovation district created out of this place, the Macquarie Park Innovation District. Through this role, the university supports a skilled workforce, drives research and development, and helps build an entrepreneurial system that contributes to local, State and national prosperity. We are the home of an incubator and the DeepTech Incubator and currently have 90 active startups and scale-ups, with over 200 ventures supported to date. Macquarie University Hospital, Australia's first and only university-owned not-for-profit hospital, sits at the centre of an integrated research, teaching and clinical model, training healthcare workforce, providing essential care, and the development of new therapies—including just last week a world-first clinical trial of a gene therapy for a patient with the devastating condition motor neurone disease, based upon a discovery at Macquarie University and the clinical trial in our own hospital.

Within the Faculty of Medicine for argument's sake is the production of healthcare workforce. Hundreds of healthcare professionals are now working in the New South Wales health system produced over a short number of years. Currently, there are 287 enrolments in our Doctor of Medicine program. We strongly support the New South Wales Government's priorities through strategic partnerships with universities, including the RNA pilot facility on our campus. We advance our equity goals through targeted outreach, including the schools outreach program, with emphasis on the Far West of New South Wales to lift awareness about aspiration and opportunity for participation in higher education.

These examples reflect only part of our broader contribution to the wellbeing and future prosperity of our State, yet universities are operating in challenging and changing times with changing funding models, visa settings, increasing regulatory frameworks, technological disruption and geopolitical uncertainty, alongside emerging responsibilities to double-down around student safety, equity, issues of artificial intelligence and foreign interference. At Macquarie, students and staff are at the centre of our university community and we take that responsibility to them very seriously, balancing the need to respond to immediate challenges with our responsibility to the State to remain financially sustainable and future focused. Having studied the *Hansard* about prior testimony, it is my hope that this inquiry recognises well the contribution that all New South Wales universities make to the vitality of our State. I look forward to answering your questions as far as I am able. Thank you again for the opportunity.

The CHAIR: Thank you, we appreciate that. Speaking as the Chair, I agree 100 per cent with the importance of universities and the social and economic benefit that they contribute, particularly the staff members engaged at our universities and the efforts put in by students, particularly research students, in that innovative ecosystem, if you like. So we're on a unity ticket with regard to the importance of universities. If I could kick off the questions, when did Macquarie University join the Business Council of Australia?

S. BRUCE DOWTON: I can certainly take on notice the precise time that we did that, but it's a few years back. Probably, I would say, maybe five or six years ago, but I can take it on notice and provide you with the precise date. May I just interrupt for one moment? I have a significant hearing impairment and I use assistive devices. Is there a way we can turn up the volume, because I'm having trouble hearing you, Chair.

The CHAIR: Okay, thank you for alerting me to that. So you will take on notice the detail?

S. BRUCE DOWTON: Yes.

The CHAIR: Who made that decision to join?

S. BRUCE DOWTON: It was made in consultation with the members of my executive team. I certainly brought forward the idea to them that we should join the Business Council and, as I recall, I discussed that with the chancellor as well.

The CHAIR: What does BCA membership cost annually?

S. BRUCE DOWTON: Again, I'd have to take the detail of that on notice.

The CHAIR: I'd appreciate that. Most recently, the BCA has taken positions, such as opposition to changes to the New South Wales Work Health and Safety Act, and has opposed pretty much every piece of industrial relations legislation aimed at increasing protections for workers. It also came out against the regulation of the big supermarket duopoly. How do these positions sit with the aims and purpose of Macquarie Uni? As members of the BCA, do you provide feedback on these positions or others and, if you didn't or you don't, does the university council endorse these positions by virtue of the membership?

S. BRUCE DOWTON: The university council does not endorse any position of any organisation unless it is brought specifically before council as a matter for consideration. Our engagement with the business council focuses across a range of areas in which they work and in which we work. We are particularly focused with them around skills development. One of the principal reasons which we chose to join the business council was because we believe that it is very important that universities and vocational education providers are very actively engaged in working with business to understand and advocate for how skills development and how workforce development are going to occur in the service of promoting the nation's economic prosperity for the short, medium and long term. We have representatives on committees of the BCA around those issues.

The CHAIR: I understand—and I suspect you're on the record about this—that you have sought to create an apolitical university. How does this sit with your involvement with the BCA, which is one of the most overtly political organisations in the country, that inserts itself in a wide variety of political debates almost exclusively on behalf of big business?

S. BRUCE DOWTON: Again, I would choose to distinguish between the advocacy for business and that being aligned with a particular political party or persuasion. Our judgement at the time we chose to join the BCA was that it was a peak body representing a very broad array of businesses in Australia, not with a particular focused area of business. There are many industry groups that do that and do it very well. But we made the judgement that the BCA does advocate across the political spectrum about a range of their interests, some of which we share. As I mentioned before, particularly in the area of alignment around production of workforce and making sure that the economy of Australia is well served by an educated workforce that universities are involved in producing.

The CHAIR: Do you see the interests of Macquarie University aligned with the interests of big business, and so that advocacy overlaps?

S. BRUCE DOWTON: In some areas I believe that our advocacy, as I've said a couple of times already in my testimony, does overlap with the importance of having university representation in hearing from and articulating with our views around how we can partner with employers of diverse businesses around the workforce that they are seeking from us to support their businesses. That workforce extends into a variety of other advocacy areas with which we engage. We regularly engage, as vice-chancellors, with the New South Wales Government and the departments of the New South Wales Government around some of these same issues. We engage with not-for-profit organisations around the same issues.

The CHAIR: Are you a member of Universities Australia because they would appear to be the peak body for universities in terms of advocacy, or are they inadequate?

S. BRUCE DOWTON: Yes, we are.

The CHAIR: Are they not the peak body for the university sector?

S. BRUCE DOWTON: They are a peak body for the university sector, yes. We certainly are very actively involved with them, but we have a diverse array of organisations with whom we do engage around advocacy for the role of universities, not only in workforce production but around R&D and a whole range of issues in which the university is engaged. Many State agencies are included in that.

The CHAIR: If I could move to the restructuring that has occurred over the last year or so at Macquarie, there are several aspects of the case for that restructure that I wanted to ask you about. One of them gets quite

particular quite quickly. Prior to this current restructure, the arts faculty was returning a large amount of revenue to the university per year. Why was it so heavily targeted for staff cuts?

S. BRUCE DOWTON: I thank the Chair for that question. Allow me to perhaps position the most recent change processes in a number of change processes that have gone on across Macquarie University over a number of years. The university operates out of four relatively evenly-sized faculties: arts; the Macquarie Business School; the Faculty of Science and Engineering; and the Faculty of Medicine, Health and Human Sciences. Several years ago, the Macquarie Business School and the Faculty of Medicine, Health and Human Sciences, in the service of aligning their workforce with the work needed to be done—both the teaching and research work—went through significant change processes. The Faculty of Science and Engineering did that at a small scale in between back then and now. The Faculty of Arts had not been through the process at all of aligning their workforce with the contemporary needs of the faculty. Any implication that the Faculty of Arts was singled out is incorrect. It is part of a cadence of change processes that now all parts of the university have been through over the last few years.

The CHAIR: You're saying that the arts faculty needed to change because of the type of offerings the university decided were going to change?

S. BRUCE DOWTON: A number of things were taken into account as we move towards proposing changes in the Faculty of Arts. Those would include a range of external factors to the university which are beyond our control—some of them I referenced in my opening remarks: funding model changes, regulatory environment, international student downturn and so on—but also the reality that the demand for courses in the Faculty of Arts has changed over time and the alignment of reorganising to put emphasis on courses and away from concatenation of individual units to make up a degree program. They had not been through any of that work to the scale or extent that the other three faculties had done before.

The CHAIR: We'll get to whether that's required just because other faculties have done it, despite the fact that they seem to be bringing in a huge revenue, but I have before me a list of 11 subjects which were previously taught by permanent staff that are now being taught by casual staff. How is that a realignment of what the arts faculty is offering? Isn't that simply getting rid of permanent staff and replacing them with casual staff?

S. BRUCE DOWTON: I don't have access to what you're referring to there, Chair.

The CHAIR: Would you like me to read them to you? In media and comms, we have Health, Bodies, Media; Social Media; Journalism Research: From Data to Story, previously taught by ongoing members of staff, now taught by casuals. In Sociology, we have Human Services in the 21st Century; Social Inequality, Policy Ideas in the Future, now taught by casual staff. Again, in politics, there are five subjects.

S. BRUCE DOWTON: I'd need to take on notice the specifics of the data you have presented there to be able to confirm if what is being proposed is, in fact, what is happening.

The CHAIR: Because that would raise concerns that those redundancies are actually sham redundancies, wouldn't it, if the teaching is still occurring for subjects that had previously been taught. It would be concerning, that maybe those redundancies weren't actually legitimate.

S. BRUCE DOWTON: Thank you, Chair, for that. I would again offer two comments there. One is, again, repeating what I've said, that I don't have the information to hand to verify what I've already stated. Again, I can't speak to here, now whether those particular units to which you are referring are aligned into the redesign of programs that are being designed in a student-focused and future-focused way away from emphasis on standalone individual units. Some of the titles of those units, I have to say, just from what you've read out there, do suggest that they are quite standalone, and I can't speak to without going away to check.

The CHAIR: I'm very happy to provide those and you can consider those on notice. Journalism Research: From Data to Story sounds very relevant, but I'll give you those to take away and consider. Thank you, Professor. Would you say that Macquarie University has a commitment to transparency?

S. BRUCE DOWTON: I believe we do, yes.

The CHAIR: If that's the case, why were university documents that were requested through freedom of information processes so heavily redacted?

S. BRUCE DOWTON: I can report to you that all redactions when we are asked to provide documents under the government information privacy Act are conducted in accordance with that Act. I don't know which particular documents you're referring to, but I can assert that when redactions occur, they occur for a variety of reasons. Obviously, particularly if any individuals are named in them, there are appropriate redactions of that for privacy reasons. If there are confidential issues that are being raised that would raise concerns—for argument's

sake, about security of information, where it's stored—or if information is being under consideration which might have, for argument's sake, finances or numbers of staff who might be affected, we regard that as confidential information before a decision is made, in accordance with the enterprise agreement, to go out and consult with staff once decisions have been made about proposed changes.

Ms ABIGAIL BOYD: Mr Dowton, in your opening statement you talked about universities being—and I don't know what your exact words were—accused of losing their social licence or some sort of concern. Can you elaborate what you mean by that?

S. BRUCE DOWTON: Yes, I can. My concern there relates not only to our New South Wales universities and Australian universities but across western democracies. I think there are concerns being raised about the way universities have operated for decades, and in some cases for a lot longer than that. I think some of that comes out of where questions are being raised about universities in the media, where there is a lot of unverified information being put out, particularly on social media. I think we see the media, particularly, and other agencies of society, raising questions about whether universities are delivering what we are chartered to do through, in the case of most Australian universities, Acts of Parliament. That's part of why I positioned my opening remarks around trying to reaffirm the value that universities have and, in my view, continue to do very well in this State and this country. We are being questioned repeatedly about whether we are fulfilling the purpose of what we are set up for: to generate educated citizens for a democratic society, to generate workforce to be productive, particularly as the economy is changing and we need different sorts of workforce, and to do research that helps the public.

Ms ABIGAIL BOYD: I think there's a disconnect there, though, between your comments about negative media and other things around the governance of universities, and then the idea of pointing out just how great universities are. I put it to you that the problem is not that the concept of universities has lost social licence but that the governance of universities has lost its social licence.

S. BRUCE DOWTON: I thank you for that question, honourable member. I can respect your position on that. For me, in the position I occupy, I can assure you the questions about governance of universities, which I think are well placed in some cases, are very easily being blended with the position I put about our universities fundamentally fulfilling their role to society. I think they are blended. Perhaps we don't agree on that, but I think that issues have been conflated in the media, particularly, and in other circles.

Ms ABIGAIL BOYD: I'm a Macquarie University alumni as well as a University of New South Wales alumni. When I went to Macquarie Uni some decades ago now, it was a joy. It was a place of education. I really saw it as an extension of my schooling in terms of the ethos and the way in which education was being delivered in Macquarie Uni. When I look at Macquarie Uni now, I see it as primarily a business. I share the concerns of the Chair in relation to Macquarie University's association so closely with business. Do you acknowledge that some of the issues around university governance being in focus here is because of this drift away from being primarily a place of education to something that is now part and parcel of the business community?

S. BRUCE DOWTON: Again, I appreciate that question from the honourable member. First of all, I was aware that you are an alumnus of the university. I would be very pleased to welcome you back to your alma mater, and any member of the Committee, to walk around campus with me, talk with students today and ask them how happy they are. I can guarantee you the vast majority of Macquarie University students, who love being on campus and enjoy being there, will reflect the happiness that you experienced during your time with us. To return to your particular point, universities have become large and complex institutions. We can discuss, if you'd like to, why that has happened. I won't digress on that at the moment, but we are large and complex organisations.

In terms of the oversight of that by the university council and the executive team—the governance of the university—we have worked assiduously over recent years and for almost the entirety of my time to put in place good governance. We have taken heed of the recent reports that have come out from various agencies, particularly of Federal Government, around university governance. We have benchmarked ourselves against the extensive list of principles that came out of the Expert Council on University Governance, and we have discussed that at council on several occasions. We have found that, by and large, we stack up very well against that. We have identified a small number of areas where we can improve, and we are very committed to doing that. In fact, earlier this week our chancellor, Dr Martin Parkinson, wrote to the entire university community outlining where we are up to with that. That is not his first communication to the entire university community. He has laid out the things that we are putting in place to be absolutely aligned with the recommendations out of that important piece of work that reported last year.

Ms ABIGAIL BOYD: In your opening statement, you talked about how Macquarie invented the wireless local area network technology based on radio transmitting microchips, which was the foundation of wi-fi, which is an incredible thing to achieve. Again, when I look at that having happened in the past, compared to now,

when my understanding is you're proposing to cut 23 lecturers across all four schools in the Faculty of Science and Engineering, are we going to have amazing research coming out of Macquarie? In another few decades, will we be looking back on that, when there's this level of cuts being made for what appear to be business reasons rather than educational reasons or reasons for society?

S. BRUCE DOWTON: Again, my thanks for the question to the honourable member. The cuts that have been made of staff at Macquarie University have been relatively small, and I would point out that the majority of those reductions in staff have occurred through either voluntary redundancy or pre-retirement contracts. In fact, all of them in the Faculty of Science and Engineering have arisen as a result of either voluntary redundancy or pre-retirement contracts, largely from individuals who were planning to retire in the foreseeable future. They are relatively small compared to the total staff size, and I can point to many examples where the amazing discoveries to which you've referred are ongoing. In fact, if we look at data from the last two years, Macquarie University is number two in Australia in creating spin-off companies from intellectual property created at the university, and the vast majority of those spin-out companies have come from the Faculty of Science and Engineering. I'm not concerned about losing our momentum in terms of research.

The Hon. RACHEL MERTON: The Australian Research Council has expressed alarm over political activism by academics, in confidential documents that reveal its frustration over a publicly funded researcher who called for the end of Israel and led children on a chant of the intifada. Professor, the questions have been asked relating to Dr Abdel-Fattah. Are you aware of the criticism?

S. BRUCE DOWTON: Yes, I am. I am aware of that, and I have responded to questions in the estimates committee, which you raised to me, about the same matter in the last few weeks.

The Hon. RACHEL MERTON: Professor, does Dr Abdel-Fattah remain on the university payroll?

S. BRUCE DOWTON: Yes.

The Hon. RACHEL MERTON: Is it correct that a full salary of \$163,598 continues to be paid to Dr Abdel-Fattah?

The CHAIR: I'm just going to remind the member that this is an inquiry into the governance issues across the university sector, not into individual academics and their arrangements. I'd ask you to rephrase that question to the professor.

The Hon. RACHEL MERTON: Professor, how does this add up to your opening statement in terms of the university, the culture, the apolitical environment? You just spoke more widely about how that's being upheld. How does this stack up?

S. BRUCE DOWTON: I would note that I have not used the word, personally, of "apolitical". I have not used that. We can discuss that more if you'd like to. The particular individual that you have referenced earlier and to which I believe you are referring now, that individual's work is funded entirely by an ARC grant. As you're aware, the university was asked to investigate a range of matters about our handling of that grant and the performance of that grant, which we have done, and we have provided that report back to the ARC. They have put it through their own internal processes of discernment and review, and they have reactivated that grant and allowed the work to proceed.

The Hon. RACHEL MERTON: Professor, if I could draw your attention to a GIPAA document that was obtained by the NTEU. It contains three scenarios relating to cost cutting and reform at the university. It has been put to us by the NTEU that scenario three, which they report as "Why not go all the way in terms of staff cuts?", is the conclusion and what's being adopted by the university. Would you like to elaborate on what that might mean?

S. BRUCE DOWTON: Without seeing the actual document, I'm not able to pass any judgement on what's in that. I'd be happy to take that on notice and respond in writing afterwards.

The Hon. RACHEL MERTON: Professor, how many full-time teaching positions will be cut under the 2025 change proposals?

S. BRUCE DOWTON: The proposal is, I believe, around 60. I believe the number is 61.

The Hon. RACHEL MERTON: That's full-time teaching positions to be cut?

S. BRUCE DOWTON: The number of full-time staff is, I think, in the mid-50s—around 54 positions spread across 61 individuals, I believe. But, again, I'd be happy to confirm that as a question on notice.

The Hon. RACHEL MERTON: Further to that, in terms of subjects being cancelled or cut or discontinued?

S. BRUCE DOWTON: Are you asking me—

The Hon. RACHEL MERTON: How many?

S. BRUCE DOWTON: I don't have that information to hand right here. What I can say is that the proportion of individual units being cut is small. For argument's sake, I think in the Faculty of Arts I remember there is still a choice of units spanning over 600, and there are a small number of those that have either been discontinued or where courses have been arranged where a freestanding course in the past that might have been its own named degree becomes a major in a broader degree. There are a range of complex changes that have been made. Counting the cuts of a course by number does not tell the full story of how academic disciplinary areas have been able to be preserved, which we have strived to do in the redesign of our coursework suite, as I mentioned earlier, to move away from as much as we had as a university of individual units adding up to a degree—a much more coherent planning of what is the whole degree, what units are needed to be in that degree to meet the aspirations of students and employers around particular disciplinary areas and professions that they might go into.

The Hon. SARAH MITCHELL: I want to apologise, Professor. I've got another hearing running concurrently, so I had to duck out for a minute and then come back in. If I cover something you've already answered, I apologise. I have a couple of questions. My colleague asked about the GIPAA document from the union. I appreciate that you don't have that, and you've taken it on notice. In their submission—and they're appearing later today—effectively they make the claim that the decision to move towards letting go of those full-time staff was, in their words, a "manufactured financial crisis". They talk to the fact that there were different options, but their claim is the university made an explicit choice to go down that path. Would you have a response to that claim from the union?

S. BRUCE DOWTON: I thank the Deputy Chair for the question, and I reject that assertion that that is what transpired. In considering where the university is at at a particular time, as we plan for the forward year and do some forecasting beyond that, we take into account a range of considerations, including the circumstances we find ourselves in where we now have a capped environment both for domestic students and international students. I can report to you that this year, for the first time in my memory, having almost served for 14 years, we have declined to take students who wanted to come to Macquarie University as domestic, Commonwealth supported place students because of the caps being placed on domestic student enrolments by the Federal Government.

Our international student enrolments, I can report, in the first semester of this year have fallen short, in my view, largely as a result of damage to brand Australia in the international markets from which we recruit students by policies put in place by governments of either persuasion over the last number of years. We have fallen short. Taking that into account, it has become much harder to project. The runway we have financially, and the turbulence in the environment, means we have to attend to being able to deliver excellent programs at the same time as being viable financially as a responsible institution.

The Hon. SARAH MITCHELL: In terms of the domestic students that you had to turn away, effectively, is that across a range of course areas? What did that look like in practice?

S. BRUCE DOWTON: It's across every faculty of the university, yes.

The Hon. SARAH MITCHELL: I have two other issues. One of the themes—we've had consultants in earlier this morning and in other hearings—has been about the consultancy spend and the transparency around the reporting of that. My understanding is that I think yourself and Sydney Uni are the two New South Wales universities that actually list that consultancy spend as a separate line item in your financial statements, so it's probably a little bit easier to see those figures. Is that something that you made a conscious decision about, that your university wanted to have that transparency? Do you think that should be applied across the board for all universities around consultancy spend and transparency of data?

S. BRUCE DOWTON: I certainly am supportive around transparency there. I can also report to this hearing that we have taken consultancy spend very seriously. I personally sign off on every consultant and every contractor that is employed at the university. It takes me a lot of work to do that, and I can report to you that our consultancy spend last year was \$1.7 million. We use the New South Wales Government auspice definition of consultants, contractors and other providers. We do have a range of other spending under contractors, which is largely related to services that we simply do not have the expertise to provide for ourselves, particularly in the area of IT transformation, which is a cycle of work over a few years to get us up to speed in modernising our IT systems.

But in that broad bucket of what previously were called consultants and contractors, as one line item, which we now break out, there are many millions of dollars that go into contractors who are part of shared research programs where we are transferring money, where we are the principal institution for a grant and there are collaborating institutions elsewhere where we send money for them to support their part of the work. That falls

under that same category in the accounting rules of how contractors and other related services are provided. We are very assiduous about it, and we do not use consultants for advisory work around change processes. All of the change processes we have done have been designed internally.

The CHAIR: Have you engaged Pilbara Group, though?

S. BRUCE DOWTON: Yes, we do.

The CHAIR: So their data didn't inform your change processes.

S. BRUCE DOWTON: Correct. Their data does not inform change processes. We do not use Pilbara, on whom we spend around a little less or a little more than \$100,000 a year. They provide us a tool which we use for calculation of cost of teaching. We have to provide those data to the Federal Government mandatorily.

The CHAIR: That makes sense, because they would have shown that you were making a lot of income from arts, so that wouldn't make sense if you were using their data.

S. BRUCE DOWTON: May I clarify one thing there, if I might, Chair. The implication is that the Faculty of Arts has been disproportionately treated in the amount of margin they bring to the university. That is not true. All faculties—

The CHAIR: That wasn't the implication, Professor. I didn't say they were disproportionately treated. In fact, I only referred to the Faculty of Arts. With that, I take your point. and I'm happy to provide a question that you can respond to on notice because I don't want to interfere with the time of my colleagues.

The Hon. SARAH MITCHELL: The make-up of university councils has also been something the Committee has looked at. There have been some suggestions from witnesses to have a higher percentage of staff and student representation on university councils. I'm just wondering what your view would be on that.

S. BRUCE DOWTON: We certainly worked very hard some years ago with the New South Wales Government at the time and the parliamentary draftsman to align our university with the work being done across New South Wales universities to have a relatively common approach about that. I am comfortable where our governing board sits right now, and I would add that we have recently made an appointment to our governing council of a very senior retired academic staff member from another university, who brings a distinguished career in a couple of universities over a long period. We have filled out the expertise on our council with having expertise from an academic who has a deep history, but not from Macquarie University. We believe that's a very good move.

The Hon. SARAH MITCHELL: Chair, I just want to acknowledge the students from a high school in Kempsey—Kempsey Adventist, I believe. You might have some future students for Macquarie University behind you, Professor.

The Hon. ANTHONY D'ADAM: Professor Dowton, is Macquarie University anti-union?

S. BRUCE DOWTON: No.

The Hon. ANTHONY D'ADAM: How would you characterise your relationship with the NTEU?

S. BRUCE DOWTON: We interact with the NTEU around a range of issues, obviously, around enterprise bargaining. We were very pleased some years ago to enter a new way of negotiation of our enterprise agreement with the NTEU, using an interest-based bargaining approach, with the commission involved in that. We thought that was a very good process. The union declined to continue that process. We have a very open, transparent relationship with the union. The relevant committees are in place.

The Hon. ANTHONY D'ADAM: There's an allegation or a suggestion in the Macquarie University NTEU submission that key activists and members of the branch executive have been targeted for redundancies. What do you say to that suggestion?

S. BRUCE DOWTON: It's not true.

The Hon. ANTHONY D'ADAM: It does seem that a significant number of the key activists are in the gun for redundancy. Do you think that creates a perception that the university is using the restructure process to rid itself of key union activists?

S. BRUCE DOWTON: I thank the member for that question. I categorically reject that. We have no knowledge of who is a member of the union, unless they are elected representatives of—

The Hon. ANTHONY D'ADAM: Come on, Professor Dowton. These are members of the branch executive. They're people who are clearly prominent in terms of their advocacy. Their position is well known. It

would be well known to you who those people are, so it's disingenuous, wouldn't you say, to suggest that you don't know that these people are members of the union?

S. BRUCE DOWTON: I reject that. I do not believe that is the case. What I can say is that, if their academic field fell into an area where there needed to be a reduction in members of staff, they would be in scope. That is the beginning and end of it.

The Hon. ANTHONY D'ADAM: You don't think that the relationship with the union is an important factor to take into account—the perception that you might be targeting people who are raising concerns in their capacity as elected union officials? You don't think that's a concern that should be taken into account, in terms of the decision-making around positions to be slated for redundancy?

S. BRUCE DOWTON: I thank the member for that question. Again, I reject any assertion that there has been any bias there, and I can't speak to perceptions.

The Hon. ANTHONY D'ADAM: It's just a convenient consequence, perhaps.

S. BRUCE DOWTON: I can't speak to any perception that anyone else might care to put on things. In the same way that we would not carve anyone else out for a reason like that, we would not carve out a member of a particular political party.

The Hon. ANTHONY D'ADAM: How do you satisfy yourself that that's not occurring?

S. BRUCE DOWTON: Because I have worked with the relevant members of the executive team and the chief people officer who oversees these processes. There is ample opportunity for consultation all the way through. We have adhered to every single step. There have been a number of delays.

The Hon. ANTHONY D'ADAM: The people who are making these decisions, Professor Dowton, have displayed obvious anti-union sentiment. Doesn't that go to a question that should be asked by you, as the leader of the organisation, about whether those decisions are being tainted by that bias?

S. BRUCE DOWTON: Again, I thank the member for that question. I have no knowledge of the assertion you have made there. It is an assertion, in my view, that that has happened. I have no knowledge that that has happened.

The CHAIR: Thank you very much, Professor Dowton. We have kept you a couple of minutes over time, and I appreciate you staying for that. There were some questions taken on notice. There will no doubt be some supplementary questions as well. The secretariat will be in touch. We are aware of the break for the Easter weekend, but we will get in touch with you regarding those.

(The witness withdrew.)

Professor ERIC KNIGHT, Deputy Vice-Chancellor (People and Operations), Professor of Strategic Management, Macquarie University, affirmed and examined

Professor CHRIS DIXON, Executive Dean, Faculty of Arts, Macquarie University, affirmed and examined

The CHAIR: Welcome, and thank you for making the time to be here. Do you have a short opening statement?

CHRIS DIXON: Thank you for the opportunity to address the Committee. The Faculty of Arts is Macquarie University's largest faculty, with over 13,000 students. We are committed to providing a world-class transformative education underpinned by internationally recognised research strengths across a range of disciplines. Against that backdrop, I want to speak briefly about recent workplace and curriculum changes in the Faculty of Arts. These changes were not ends in themselves; they were undertaken to help us deliver a high-quality education that remains rigorous, relevant and sustainable.

Turning first to the workplace change process, this was driven partly by immediate financial imperatives, including uncertainty about long-term funding. But, more significantly, it reflected the need to align our academic workforce with the academic work that needs to be done. Student demand shifts over time. Enrolments in some areas have been in decline for a long period, while in other areas they are growing. For example, law continues to be an area in high demand among students, with more than 1,000 commencing students this year alone. We have a responsibility to respond to these patterns so we can continue to offer transformative learning experiences, invest where student need is increasing and ensure the faculty is structured to do its core work well.

In reviewing our curriculum offerings, it is important to recognise that curriculum review is a standard—indeed, essential—practice in higher education. In the Faculty of Arts, we have ensured students continue to have opportunities to study the traditional humanities and social sciences, while also being able to study professionally focused areas such as law, education and criminology. Indeed, our new criminology degree has attracted nearly 300 students in just its second year, signalling the value students place on programs that connect to contemporary challenges and future careers. Similarly, our revised teacher training programs have this semester attracted well over a thousand commencing students. By contrast, we have rested our gender studies program, which has had declining enrolments for a number of years. Over the last four years, a total of just six students completed the gender studies major.

At the same time, it is important to emphasise that we continue to offer a comprehensive suite of undergraduate and postgraduate offerings, with over 600 units across the Faculty of Arts. Let me also emphasise that staff and students have been supported throughout these processes, and that these changes have involved extensive consultation with internal and external stakeholders. We continue to listen and respond to all feedback. To conclude, our objective is to continue to deliver impactful research and a future-focused curriculum, underpinned by a commitment to providing a safe learning environment for all students.

ERIC KNIGHT: Chair and honourable members, let me start by thanking the Committee for the opportunity to give evidence to this inquiry. I note a number of members are indeed Macquarie University alums. I serve as Deputy Vice-Chancellor (People and Operations) at Macquarie University. I note that the Chair, in her inaugural address to Parliament, referred to the phrase in our national anthem "with courage let us all combine". She went on to say, "Working together is not always easy. Compromise is not glamorous and is open to misinterpretation." These words resonate with me and the work I've sought to contribute to and for which the inquiry seeks public account. It has been a difficult time for our university. I'm acutely aware of the many competing demands that we are called on to balance and, at heart, the human beings at the centre of all that we do. I'm very grateful for the collegiality with which many of my colleagues have sought to approach that difficult work. It is never complete, and I look forward to sharing more with the inquiry today.

I'd like to provide some context on the environment we face. Macquarie University is a public university, but public funding now makes up a minority of our revenue. Indeed, the OECD reports that across Australian universities, public funding accounts for about 50 per cent of revenue and is falling. The OECD average is closer to 75 per cent. At the same time, the interest from government regulators continues to grow. At the Commonwealth level, our principal regulators and oversight bodies include the Tertiary Education Quality and Standards Agency, the Department of Education, the Australian Qualifications Framework and the recently established Australian Tertiary Education Commission and the National Student Ombudsman.

The university also engages regularly with the departments of Home Affairs, and Foreign Affairs and Trade, as well as the Australian Security Intelligence Organisation. Financial, corporate and workplace compliance involves bodies such as the Australian Taxation Office, the Australian Securities and Investments Commission and the Fair Work Commission. Oversight of research integrity and funding is exercised through the

Australian Research Council and the National Health and Medical Research Council. Independent scrutiny is further provided by the Commonwealth Ombudsman, including its higher education and overseas student functions. In New South Wales, universities are subject to additional oversight from agencies including NSW Treasury, the New South Wales Audit Office, SafeWork NSW and the NSW Environment Protection Authority.

Integrity and complaints oversight sits with the Independent Commission Against Corruption and the NSW Ombudsman. This complexity is compounded by accelerating change in student interests, in employer demands, in technology providers, threat actors in our midst and the different foci of different regulators. In my time on the executive, Macquarie University has had to respond to COVID disruptions, closed borders, restrictions on international students—who, at Macquarie University, make up around a quarter of our student body—caps on domestic students, changes in visa regulation, the Job-Ready Graduates package and the ongoing challenges that the cost of living imposes on our students.

Between 2024 and 2025 Macquarie University has responded to a wide range of new requirements, including changes to student support and governance arrangements, the administration of practicum payments, new fee-free pathway programs, revised ministerial directions, the establishment of the National Student Ombudsman, the expanded TEQSA expectations and the introduction of the national code to prevent and respond to gender-based violence. Further change is anticipated through new funding models, revised mission-based compacts and additional obligations following the TEQSA legislative review and the introduction of ATEC. As a large employer, we take all of these obligations extremely seriously. This work is not easy. Compromise is not glamorous. I'm grateful for the effort and care that my many colleagues have given to the challenges we have faced at Macquarie specifically, and the commitment they have given to doing the long-term planning needed to sustain our investment in curricula, staff, student services, research and healthcare delivery. I look forward to responding to your points of interest today.

The CHAIR: Sadly, those references don't go to my h-index anymore, but I appreciate them nonetheless. Professor Dixon, I note that you were here during the evidence given by the vice-chancellor. You'll note that I asked questions about the Faculty of Arts. Given that I understand annual revenue is quite large—over \$180 million, with costs being lower than \$50 million, leaving quite a surplus. We've heard that there is sort of a financial imperative with regard to this restructuring and change process. But I also note that, overall, the university recorded a surplus, which was significantly more than had been budgeted. We've had other universities appear at this inquiry who have, I would suggest, also confected a financial crisis in order to legitimise organisational change. How do you justify the large changes to your faculty based on what appears to be very healthy revenue coming to that faculty—and indeed, I would suggest, probably subsidising other areas of the university?

CHRIS DIXON: I thank the Chair for that question. If I may, I return to the point I made in my introductory remarks, and that is that the workplace change was indeed partly driven by financial imperatives. I think it is fair to say that, whilst we were pleased to report a modest university surplus last year, the funding landscape remains precarious. It remains uncertain. The vice-chancellor has referred already to the challenges posed by domestic caps. The reduction in international student enrolments is something that we do need to keep in mind. The second point I'd make is that the income that the faculty derives from its teaching is not evenly earned. I mentioned in my introductory remarks that law and education have attracted very high enrolments, something about which we're very pleased. But other parts of the faculty attract fewer students. So, naturally—and this leads to the other point I made in my introductory remarks—the workplace change that we embarked upon last year was principally about aligning the workforce with where the work is to be done. The teaching staff needs to align with where the demand is from students.

The CHAIR: Sorry, can I just jump in right there? Again, I note that you were here—and I know that you don't have the benefit of the list that I have in front of me. I have a list of 11 subjects that are now being taught by precarious staff that were previously taught by ongoing staff. When you're talking about aligning teaching need with staff, the other thing that I would suggest to you, having been an academic—and I'm sure both of you have taught in subjects that maybe weren't strategic management 101, Professor Knight, or whatever your speciality is, Mr Dixon—academics across areas and across disciplines are well capable of teaching into other areas in an appropriate way. Given that I have a list of subjects that are still being taught by casuals and given that you know, I have no doubt, from your own experience that academics can teach across a wide variety of subjects—particularly in arts, there can be synergies—are you still maintaining that line about not needing those staff, even though the subjects persist that they used to teach?

CHRIS DIXON: Yes, I do continue to make that case. The first point I would make in answering your question is that it's really important to be clear—and I think your comments would lead to the same conclusion—that individual staff do not own particular units. Units do not accrue to an individual staff member because that

may be something they've taught in the past. The second point I would make is that in the context of the change process that we went through last year, we are obliged to teach out a number of units on a short-term basis, and that may have meant—I'll need to check the particular units you've described—that they may be offered and may be taught by a casual for this year. The third point I would make is that you've referenced a number of units in media studies, for instance. We are in the process of revising our media studies offerings with a real focus on providing students with employability skills—the skills that they'll be able to take into the workforce—and that does not align necessarily with the skills of some of the staff who formerly worked in the media studies discipline.

The CHAIR: Professor Knight, you're DVC (People and Operations). That means that things to do with compliance with the Fair Work Act and the Fair Work regime falls ultimately to you. You'd be aware of the idea of sham redundancies and what that means industrially?

ERIC KNIGHT: Yes, Chair. Have you got a question you'd like me to respond to?

The CHAIR: So you're aware of the framework?

ERIC KNIGHT: I'm very aware of our—

The CHAIR: You understand that if a job goes but the work continues, then that's not a legitimate redundancy?

ERIC KNIGHT: I think it's fair to say that I and Macquarie University take our workforce obligations very, very seriously. We only look at forced redundancies as a matter of last resort. In this case, that was indeed the case. In thinking about the challenges that we face at the university—and I don't think we face a financial crisis; we did not use that language in our change papers.

The CHAIR: I think I said financial imperative.

ERIC KNIGHT: Yes. The first thing we did was to think about what non-salary savings that we could make in terms of our various activities across the university. We also looked at vacancies that we could hold and then remove as a source of saving. We looked at pre-retirement aspects; we've looked at voluntary redundancies. Certainly it is the case, as per our enterprise agreement and our commitments there, that any forced redundancies are very much a last resort.

The CHAIR: That's really interesting, and I appreciate you raising that. I appreciate the stated commitment to no forced redundancies. Already referenced this morning have been the GIPAA documents that the NTEU managed to obtain, which show a briefing about budget options considered by the executive, and three cases were presented. Now, much of it is redacted, but what is not redacted is case one. It was a scenario which was entitled "No workplace change", and that scenario still managed to achieve the overall \$55 million margin improvement required. There was a case two scenario, and there was a case three scenario. This is what my colleague earlier referred to. In referring to that scenario, the question posed by—I don't know who, because that's not clear from the documents; I don't know if it was a consultant who prepared this or internally. But the question posed was, "Why not go all the way?" the implication being making those staff redundant. If indeed Macquarie is committed to no forced redundancies, why then was case one, "No workplace change", which achieved the savings that were highlighted as needed, not chosen?

ERIC KNIGHT: Let me first say, as I said at the outset, that decisions around workforce are complex decisions and they involve all aspects in the spirit of collegiate governance of the university in different ways. They do not hinge on a single slide or a single conversation or a single model. I'm aware of the slide that you're referring to insofar as it appears in the NTEU submission to this inquiry. It is not a slide produced by a consultant, nor is it a slide that is produced by me, but I recall broadly the conversation in the executive group.

The CHAIR: Do you know who produced it? Whose slide is it?

ERIC KNIGHT: I believe it is one of the slides that is produced by another member of the executive.

The CHAIR: Which member of the executive?

ERIC KNIGHT: I think it's our vice-president of finance and resources, who is thinking about our financial position. What I would say as it relates to workforce changes—as I said before—is that is really focused on the alignment between the work that we need to do going forward and the workforce that we need to do that work going forward. The issue that we are responding to there is the ability for us to fund work where there is not sufficient student interest, where there is not enough employee demand, and where we do not have research funds to cover that work. That is really what the workforce and workforce planning processes are seeking to address.

The CHAIR: I have some questions that I was going to ask about why particular people in the Faculty of Arts might have been made redundant, but I might hand over to Mr D'Adam because he was asking a series of questions along those lines. I'll let him finish my part of the time with those questions.

The Hon. ANTHONY D'ADAM: I might start with Professor Dixon. Professor Dixon, do you support censoring political views at the university?

CHRIS DIXON: I believe in the principles of freedom of speech and academic freedom. But I would also make it clear that I believe very firmly in providing a safe learning environment for our students.

The Hon. ANTHONY D'ADAM: How would you characterise your relationship with the NTEU?

CHRIS DIXON: When you say the NTEU, I suspect that probably three-quarters of my faculty are members of the NTEU. I would suggest that I have pretty good working relationships with most of my colleagues in the faculty.

The Hon. ANTHONY D'ADAM: What about with the leadership of the NTEU at Macquarie University?

CHRIS DIXON: We have a good working relationship.

The Hon. ANTHONY D'ADAM: There are videos circulating showing you ripping down union posters. You're aware of that?

CHRIS DIXON: Yes, I am.

The Hon. ANTHONY D'ADAM: Why were you ripping down the posters?

CHRIS DIXON: Those posters were put up on open day in places where we have not—let me just take a step back, if I may, honourable member. There are certain noticeboards around the university that are approved for people to put up posters, political posters or whatever they choose to do. The posters that were put up did not conform with those policies.

The Hon. ANTHONY D'ADAM: Do you think it's the role of the leadership of the university to tear down posters that aren't put up in the right place? Is that the role of a dean of a faculty?

CHRIS DIXON: What I would say in response to that is I made a judgement that they were not appropriately displayed for an open day when we are presenting information to prospective students about the education they can receive at the university.

The Hon. ANTHONY D'ADAM: Do you think that conduct could be perceived to represent a hostility to the union and its position?

CHRIS DIXON: I can't speak for how other people might interpret that.

The Hon. ANTHONY D'ADAM: Do you pull down posters from other organisations on campus that are put up in the wrong place?

CHRIS DIXON: Yes, I have in the past.

The Hon. ANTHONY D'ADAM: Did that conduct result in any complaints against you?

CHRIS DIXON: Not as far as I'm aware.

The Hon. ANTHONY D'ADAM: Are you aware, Mr Knight, of any complaints against Professor Dixon for that conduct?

ERIC KNIGHT: I am not aware of any complaints.

The CHAIR: As the person responsible for people and culture and, ultimately, the relationship with the NTEU, do you endorse the tearing down of NTEU posters?

ERIC KNIGHT: I think the relationship with the NTEU is a constructive relationship. I respect the various views that they have that may differ from management. We have very good discussions both about change processes and also conversations that are held in our formal bodies like ASIC at Macquarie University.

The CHAIR: But should your executive leadership teams be tearing down their posters? How does that help with that relationship?

ERIC KNIGHT: I don't want to comment on the NTEU relationship or individual behaviours, or individual cases in this instance. What I do think is important is, if we are thinking about workplace and workforce, it's important to note that one's membership of the NTEU, one's attributes of various sorts, are not a source of

targeting in how we think about those changes. We have very important processes in our workforce to make sure that we give due consideration across different parts of the institution, different processes in the institution, to make sure that consultation is fair and wide. These things balance out over the course of many different conversations.

The Hon. ANTHONY D'ADAM: Were you aware of the incident of the posters being torn down?

ERIC KNIGHT: I'm not aware of that incident, no.

The Hon. ANTHONY D'ADAM: That wasn't brought to your attention?

ERIC KNIGHT: It has now been brought to my attention, but I did not have—that is not a matter that I was previously aware of, no.

The Hon. ANTHONY D'ADAM: So you're unaware of Professor Dixon's obvious hostile conduct towards the NTEU?

The Hon. SARAH MITCHELL: I don't think that's fair.

ERIC KNIGHT: I personally don't want to comment on Professor Dixon's conduct with the NTEU, but as a colleague in the executive group I have found him very respectful, very considered. Also, the decisions in a workplace, as I mentioned before, do not hinge on a single person or a single slide or a single number. They are broad collegiate decisions that flow through into deputy deans, into course directors and others.

The Hon. ANTHONY D'ADAM: I'm assuming Professor Dixon played a pretty big role in the decision-making around which positions were slated for redundancy. How can you be satisfied that that sentiment that appeared to be displayed didn't inform his decision-making around which positions should be prioritised for redundancy?

ERIC KNIGHT: One of the important things that I think make workplace conversations robust and workplaces robust is that they do not hinge on a single individual, a single day, a single action, but are levelled out over the course of time through consultation and through inputs from various different quarters. I don't want to comment on individual members.

The Hon. ANTHONY D'ADAM: My question was to you. You have an obligation, as the custodian of the university's compliance with its obligations under the Fair Work Act, to be satisfied that anti-union sentiment wasn't informing the decision-making, because that would be illegal conduct under the Fair Work Act, wouldn't it?

ERIC KNIGHT: To your question around how I am satisfied, I think it's very important to make sure that in our process, for example, if we are going to go through change, we make sure that we have consultations with the NTEU. We did, through this process. It's important for us to make sure that we—

The Hon. ANTHONY D'ADAM: That's beside the point, isn't it, Professor Knight? The key issue is you need to be satisfied that the decision-making isn't contrary to law—that is, that the decision-making wasn't tainted by a bias towards union activists. In light of the fact that Professor Dixon has displayed conduct that could be interpreted as anti-union, how did you satisfy yourself that this decision-making wasn't tainted?

ERIC KNIGHT: From the example that you described, you're talking about an action on open day and a poster. That is somewhat far removed from deliberate and careful considerations over data and presentations.

The Hon. ANTHONY D'ADAM: It is suggestive of a bias, though, isn't it?

The Hon. RACHEL MERTON: Point of order: Further to the point of order that was raised in reference to me earlier, I draw your attention to the terms of reference of this inquiry. I don't believe the nature of this questioning—

The Hon. ANTHONY D'ADAM: To the point of order: This goes to the governance of the organisation.

The CHAIR: I don't uphold the point of order, but I do ask that the member maybe winds up in the next couple of questions.

The Hon. ANTHONY D'ADAM: I'll return to my question, which is how can you be satisfied, in light of the obvious perception that there is an anti-union view from one of the key decision-makers, and it appears that members of the branch executive of the NTEU are in the gun for redundancies.

ERIC KNIGHT: I think your question goes to one of governance. As I said before, governance is a complex process that has many perspectives—not just the single perspective of an executive dean—and many different inputs into that, not just in terms of qualitative considerations but data considerations. In that respect, in

answering your question about how I can be assured of the governance, it's to ensure that decisions are not made on the spur of the moment, on a single slide or on a particular activity, but are considered holistically and over time. In that respect, I'm quite comfortable that we have met our obligations under the workplace agreement.

The Hon. ANTHONY D'ADAM: Is it fair to take into account, in the decision-making around which position should be terminated, the possible inferences drawn by other staff about whether they should speak up on issues of concern if their representatives are being made redundant and the perception of the staff is that for people who speak up, who take on representative roles, the consequence is that their positions end up being made redundant? Do you think that's a factor that should be taken into account?

ERIC KNIGHT: The focus for the workplace plan is to really focus on the work the university needs to do going forward and the skills that workforce needs to do that.

The Hon. ANTHONY D'ADAM: So you don't care that members of staff might be less likely to raise issues of concern at the university—that's not a factor, in terms of your decision-making? When you decide to make members of the branch executive of the union redundant, the perception that creates in your staffing is one that you shouldn't raise issues, that you shouldn't speak up. Isn't that a very serious concern in terms of the governance of the university and shouldn't that be an element in the decision-making of the university when it chooses to make people redundant?

ERIC KNIGHT: As per our enterprise agreement, a staff member is able to flag up any concerns that they have at any point up to the chief people officer, who reports into me. That is a process that has been applied through the process of these change processes—and that's really important.

The Hon. ANTHONY D'ADAM: Are you concerned that these people are being targeted for redundancy? These representatives of the workers are being targeted for redundancy. Are you concerned?

ERIC KNIGHT: I feel like I've already addressed that question.

The Hon. ANTHONY D'ADAM: I've asked you about how you satisfy your concern about the decision-making. I'm asking you your opinion about whether you're concerned that members of the branch executive are being targeted for redundancy.

ERIC KNIGHT: I don't have any additional information or data that raises concerns beyond what I've already covered in this discussion, thank you.

The Hon. SARAH MITCHELL: I just want to stay with you, Professor Knight. You just mentioned the enterprise agreement. Can you talk a little bit more about how that's applied in the day to day, particularly when you're going through these processes of staff redundancies? What does that look like in practice?

ERIC KNIGHT: In our enterprise agreement, we have a number of steps that lay out what the university needs to consider and comply with if it is considering workplace changes. Those conversations include the NTEU and are facilitated through ASIC, which is a body in which our chief people officer, who reports into me, the head of the NTEU for Macquarie University is present, amongst other staff, to consider issues that relate to both academic and professional staff. Those four sit as an ordinary course of business and address issues that the union wishes to bring to the university or management's attention and whether that be workplace-related changes or beyond.

The Hon. SARAH MITCHELL: When the work started last year around this change proposal, what was the timeline in terms of that consultation and when decisions were being made?

ERIC KNIGHT: Maybe to make two points there. Before any change, papers were put forward in the context of the Faculty of Arts and the Faculty of Science, which we've discussed before. There was an additional consultation process that was conducted across the university to talk in a more open way, and a more general way, about the methodology through how our workforce in academic work is constituted. How do we think about the work, both academic teaching and academic research work. Also, how do we think about the workforce. And how are we, as the university, not through consultants or other sources—how are we having that conversation both in terms of the data and in terms of the local judgement. That process was a basis for its own consultation.

The Hon. SARAH MITCHELL: When did that occur?

ERIC KNIGHT: That occurred in the first three or four months of 2025. That data is formalised, and I can come back if there's any further documents that you'd like out of that process. Having settled that conversation, faculties then proceeded to think through that work as part of their ordinary course of business. They did, but that formalised the consultation. In the case of the business school and in the case of the health faculty, they implemented that work. It did not need any formal change papers to comply with that work. So they continued on, made changes but not requiring any redundancies.

The Hon. SARAH MITCHELL: It didn't? I'm just trying to understand in terms of course offerings and student perspectives. Obviously, if you're making changes to faculty, that's going to have some impact on what you're offering. How do those timelines align for instance with what's being sent to UAC in terms of what students can apply for? What did that look like last year?

ERIC KNIGHT: There are two considerations to be made there, firstly in terms of what student demand is. We have two data points that are imported into that. One data point is our census dates, which indicate when students have entered into a course of study. The other is graduation dates, so when have they completed a course of study. That data is all data that is relevant to understand the sense of student demand. I think you had a second part of your question?

The Hon. SARAH MITCHELL: I'm just trying to understand. It's been put to me confidentially that there was information that went around course changes to UAC much earlier than the conversation started with staff about redundancies and I just wanted clarity on that.

ERIC KNIGHT: Each year, faculties will review their curricula and think about the courses that they want to offer. Typically, UAC requires those courses to be listed in April—I think it's around the middle of April; 14 April or thereabouts—in order for courses to be listed in the handbook. Where there are courses where it is straightforward and there are no changes or considerations in amending those courses, they proceed and go forward. Where there are still questions, they do not go forward. In the case of 2025, some of the courses that were considered were not clear in April actually proceeded into the handbook and they were added in May, June, July and what followed. In other cases, that's not the case. So it's really a case of dealing with the uncertainty and then, as that uncertainty resolves itself, whether for or against an offer—because this is all related to future students—as that gets resolved, UAC is updated and the handbook is made public.

The Hon. SARAH MITCHELL: If there was a suggestion that the university knew what they were planning to do with some of these staff redundancies earlier, but hadn't consulted with staff yet, you would refute that?

ERIC KNIGHT: That's right, Deputy Chair. If that were the case, for example—well, it wasn't the case but, for example, courses that were not listed in April but were subsequently listed can account for things and there are many examples of this. I'm happy to go into specific details depending on where the Deputy Chair's interest is.

The Hon. SARAH MITCHELL: No, I'm just asking in a more general way. I'll leave it there, thank you.

CHRIS DIXON: May I just add, Deputy Chair, to return to the point that I made at the outset that the workplace change was part of what we did last year, but the curriculum review is an annual process that we embark on every year. We always look really closely at our offerings. We do need to assess how relevant our offerings are for our students and it is the case that, over time, student interests have changed. They've changed pretty dramatically. So it's incumbent upon us every year to take a close look at what we offer in terms of our curriculum. These are the specifics of some of the changes that were made. We did circulate a curriculum paper in April last year in the Faculty of Arts and that proposed a number of suggestions in terms of which courses might change or which courses might be cut, and in response to feedback we did respond very positively to a number of suggestions that were made across the faculty.

The Hon. RACHEL MERTON: I'm happy if you want to take this on notice, just in terms of the reference to the gender studies course no longer being available. I wonder if we might be able to get any further details about any course changes in terms of what's going and what may be coming or staying?

CHRIS DIXON: Yes, I can certainly provide that on notice. Sorry, if I may just add to that, in stating that we've cut the gender studies major, I would also like to emphasise that we do continue to teach gender in a lot of areas of faculty. In fact, I would suggest that in just about every degree that we offer, gender is a consideration, whether it's a law degree or a social science degree or an arts degree. It's not that gender has disappeared; it's just that it's very clear to us that student tastes and student preferences are different from what they might have been 10 or 20 years ago and, rather than taking a unit, for example, in a particular gender studies area, students prefer to learn about gender in the context of other social issues and social factors. For instance, the intersection between race and gender—the intersectionality of those issues—is something that our students are much more invested in and interested in than a particular major in gender studies. But please be assured that gender has not disappeared from our curriculum.

The CHAIR: Can I just confirm something with that answer? You didn't just have six people doing gender studies who were in classes of six people; they were in classes where other people took the same subject because they were interested in that subject. So by cutting the major, you cut out subjects that other people were

taking, not as part of their major. There weren't six gender studies students going around and sitting in the gender studies classes on their own; they were sitting there with a whole range of other people who took those subjects, which I presume now aren't available if that major has gone?

CHRIS DIXON: We need to think about the curriculum as a whole. We've gone through a lot of work in the faculty and indeed at the university over the last few years to really try to make our curriculum an easier path for our students to navigate. For instance, that means that we have, in a number of areas, fewer option sets than we once did. I realise that might appear to be, in some cases, that there's less choice than there might have been, but what it does provide is a lot more clarity for our students in terms of the degree paths they take. Students have made it very clear to us over the years that they do crave that clarity.

I would also just reiterate that whilst we have indeed cut some units, we do continue to offer a really broad range of units and courses across the faculty. It's also been suggested to me separately that we have somehow targeted the humanities, history or English literature—I reject those assertions unequivocally. I would point there, for instance, to a new Bachelor of History degree that we've launched this year that has four separate majors in archaeology, ancient history, modern history and public history, which, from memory, I think has attracted well over 150 students in its first year of offering. So we have been very invested in maintaining the right curriculum.

The Hon. BOB NANVA: Professor Dixon, just coming back to the line of questioning from Mr D'Adam, do you regret your actions in tearing down those posters, with the benefit of hindsight?

CHRIS DIXON: I might not do it again if I was given the same circumstances and if I was to know what questions would arise out of them.

The Hon. BOB NANVA: Are you embarrassed by it, though?

CHRIS DIXON: Pardon me?

The Hon. BOB NANVA: Are you embarrassed by that behaviour?

CHRIS DIXON: No.

The Hon. BOB NANVA: You're not? So you don't regret it?

CHRIS DIXON: Embarrassment and regret are not the same emotions.

The Hon. BOB NANVA: So your regret only extends to the fact that this Committee has asked a series of questions in relation to that conduct?

CHRIS DIXON: Thank you for that question, honourable member. What I would say is I'd refer back to the point I made earlier that there are posters around the university that are put up in specific places and spaces where those posters should be placed. I made a judgement call on that day that those were not appropriate posters and that they were inappropriately posted.

The Hon. BOB NANVA: Professor Knight, do you understand that having a senior member of the organisation tearing down posters could lead to the perception, amongst one of your key stakeholders, that there is a particular cultural attitude towards the treatment of trade unions? If you've got such a senior member of the leadership group engaging in that sort of behaviour, isn't it reasonable for that perception to take hold with one of your significant stakeholders?

ERIC KNIGHT: I don't want to comment on individual cases in this matter, as I said before, but I think the broader question, which is making sure that we have a good working relationship with the NTEU, that is something that I am concerned to ensure that we have a good working relationship with the NTEU. We have a number of touchpoints into the NTEU, as I've mentioned before, and our chief people officer does afford an opportunity for the union to raise any concerns that they have of individual member conduct, amongst other things. In that regard, I am concerned to make sure that the union has good outlets for discussion and for raising concerns as part of any workplace changes or, more generally, in the work of the university.

The Hon. BOB NANVA: But that behaviour to you doesn't speak to a cultural approach, organisationally, towards a trade union?

ERIC KNIGHT: Honourable member, as I said before, I don't want to comment on individual cases. I also don't know that I have enough data to particularly adjudicate on a particular moment. As I said before, I think what's important here is that we've got a good system and good safeguards to make sure that we have a respectful workplace and where there are concerns and issues that they can be raised in the appropriate fora and adjudicated as they relate to important considerations such as the workplace changes.

The Hon. BOB NANVA: Has the university been subject to a general protections claim historically with respect to adverse action that may have been taken against its employees?

ERIC KNIGHT: I think I'd have to take on notice the specifics of what you're referring to. One thing I am aware of is the SafeWork NSW improvement notice that we received during the process of workplace changes last year. I think that was a very constructive process to make sure that we had taken into account psychosocial safety as part of these change processes. Of course we do that by making sure that we have wide and broad consultations in any change processes. One of the issues in that improvement notice was to ensure that we'd also consulted with the work health and safety committees in the two faculties. We ensured that we did so, at which point that notice was then removed.

The Hon. BOB NANVA: Can I get you to take on notice specifically orders against the university for the misuse of redundancies in breach of the general protections provision of the Fair Work Act?

ERIC KNIGHT: I'm happy to take any questions there on notice.

The CHAIR: Those documents that we referred to earlier, which were part of the GIPAA release to the NTEU, identified student-to-staff teaching ratios at Macquarie as being, by my reckoning, the worst in Australia. Was that taken into account when you considered which positions were going to either be accepted as voluntary redundancies or redundancies, or the faculties or the schools or the disciplines? I'll let you answer that one in a sec, but I'll get this in because we're nearly finished. Could you also provide a list to me on notice of the factors that were taken into consideration? You've spoken about how it's a conglomerate decision, there's lots of things and it's not one day, it's not one slide and it's not one person. Could you please provide to me a list of the factors that were taken into account?

ERIC KNIGHT: I'm very happy to do that. That is a public document and I'll make sure after this Committee meeting completes that we have a copy of that. I think, more generally, I don't want to comment on the methodologies of various different indices. But as you'll see in that document to come, an important consideration here in thinking about our work and our workforce is that we have permanent academics who are able to unit-convene, in various ways, units that we have, but also recognising that there is casual work for supplemental marking and tutoring, repeat tutorials and so forth. All of those are considerations that you'll see in this document that was consulted upon.

The CHAIR: Did you engage Pilbara Group to do the work that they're doing? I think they're doing some ongoing work. Do you use their data in your consideration of the workload?

ERIC KNIGHT: Pilbara is not a consultancy that I engage out of my portfolio, but I am aware that it is an information service at the university. I can also confirm that that data was not used and is not used in any workplace changes. It is used for compliance reporting obligations to the Department of Education.

The CHAIR: They're big sellers—they can tell you about workload—but you don't use it like that.

ERIC KNIGHT: I can absolutely guarantee that the Pilbara is not a dataset that we use as part of our workforce planning processes.

The CHAIR: Do you use any external dataset provided by anyone else—Nous Group or any other, who maybe aren't consultants but provide a model or a platform or a scenario planning tool?

ERIC KNIGHT: We have many different sources of data, but specifically as it relates to academic change and academic change processes, I can confirm that all of that data is data that we work on within our internal processes and models. We do not rely on any third-party data sources for academic change.

The CHAIR: I appreciate you being here and appreciate you both taking the time. There were some things taken on notice, I think, and there will no doubt be supplementary questions. The secretariat will be in touch about the timing of that, given Easter. Thank you very much for appearing today.

(The witnesses withdrew.)

(Luncheon adjournment)

Dr NICHOLAS HARRIGAN, Senior Lecturer in Quantitative Sociology and National Tertiary Education Union Macquarie University Branch President, affirmed and examined

Associate Professor JUMANA BAYEH, School of International Studies, Macquarie University, affirmed and examined

Associate Professor NICOLE MATTHEWS, School of Communication, Society and Culture, Macquarie University, affirmed and examined

The CHAIR: Thank you for joining us for this afternoon session of our fourth hearing. We appreciate you giving us your time. I believe you might have statements prepared.

NICHOLAS HARRIGAN: The staff speaking today are taking tremendous risks with their careers and the careers of their colleagues. Staff at Macquarie widely believe that staff who speak out end up targeted, both targeted individually and targeted collectively. When I joined Macquarie after 10 years teaching in Singapore, I was shocked by how fearful staff in Australia, even full professors, are of management. Singapore's academy is not free, but Australian academics are more fearful of management than anything I saw in Singapore.

I stand here as one of only three academics out of 14 sociology academics who kept their jobs after the 2025 cuts. Eleven out of 14 of my colleagues were sacked or demoted. Macquarie staff widely believe sociology was targeted for collective punishment because I, the union branch president, worked there. I believe management did not sack me because they feared legal repercussions. Our vice-president, Jo Faulkner, was not so lucky. She was forcibly made redundant in December 2025. Our secretary was in ancient history. Nine of 12 professors were made redundant, and he was one of them. All three academic disciplines of our union executive were targeted. Please be aware, staff appearing before this Committee put themselves at risk and, through the risk of collective punishment, their colleagues.

The message Macquarie staff have for this Committee is simple: We are governed by a cruel, callous and incompetent corporate executive, who are stealing from Australian students the right to a world-class education. Every year we witness quality education further undermined, with cuts to staff, units, degrees, contact hours, assessments—everything except class sizes, which go up. The world's leading publication on higher education, the *Times Higher Education Supplement*, ranks Macquarie as the worst staff to student ratio in Australia, and has for every year I've been there. Macquarie has the forty-eighth worst staff to student ratios in the world, out of 2,800 universities on that list. That is forty-eighth out of 2,800. Despite this, in 2025 management boasted that they were cutting over 200 subjects and 70,000 teaching hours in arts alone. Despite this, in 2025 management destroyed one of the best ancient history departments in the world.

What does this mean? For staff this means the degradation of a safe, fair and professional workplace. For students this is the theft of their right to a world-class education. For our common intellectual heritage, to quote one staff member, this is the human equivalent of burning books. What is management's argument for this? It's a budget crisis, yet management's own figures show, for example, each arts academic generates a \$500,000 surplus every year—half a million dollars for every academic in arts. We bring in \$180 million in student fees and government grants. Our costs are \$45 million. The university deficit in 2024—the latest year we have—was just 0.3 per cent. Moody's gave the university an Aa2 stable credit rating in July 2025. The university was not in crisis last year. Documents obtained by the union under freedom of information showed that management had scenarios where budget savings were made with no job cuts. They chose scenarios instead that sacked staff and cut courses.

You will ask, why does this happen? Don't university management want quality education? Management say that they want "headroom" for strategic investments. These strategic investments are new buildings and IT projects. But this hides the other side of that headroom. Management's long-term vision is to push most staff onto teaching-only contracts and sweatshop conditions that deprive students of being taught by active researchers. Then, they want to recruit a small number of high-flying researchers from places like Harvard to game the university rankings tables, while the majority of academics are teaching only. Management's vision is cut-price teaching generating big surpluses for pet management projects, most of which don't make money. The main thing the university does that makes money is teaching, through student fees and government grants. Management cannibalises teaching, driving down teaching quality and driving up workloads because it's the only place they can actually generate surpluses for their "strategic projects". Money meant for frontline teaching and research becomes surplus for strategic investments.

The argument normally goes, "But these are just nice people making difficult decisions." In their private lives, I'm sure they are. In their paid roles, I am not so sure. I will share four quotes that paint a picture. In freedom of information documents, when management compared the scenario that sacked fewer staff against the one that sacked even more, they wrote, "Why not go all the way?" Last year staff who were facing the sack were told twice

by a senior manager, "Sometimes you need to give management dead bodies." In 2024 staff were accidentally sent an email from a senior manager, who was sacking 40 of their 80 staff. The email was about a legally required town hall consultation. This manager said about the town hall, "We're not going to say anything in that town hall anyway."

At that town hall, I personally witnessed what that senior manager's boss, a member of the executive, said to those 80 staff, 40 of whom were being sacked. Within the first two minutes of their speech at that meeting, this executive member said, "I want to turn your anxiety into excitement." These quotes are the words of managers who, to put it sympathetically, have been brutalised by their role and lost their humanity. These managers are empowered by the centralised, hierarchical, corporate governance that, unfortunately, this Parliament's legislation, a decade or more ago, created. The executives of Australian universities and their university councils are effectively accountable to no-one, and they behave like it. It is ruining Australia's university system.

What is the alternative? I think, in short, universities should be legally regulated cooperatives. Cooperatives can be subject to the same legal, auditing and market disciplines that are applied to the rest of the private economy. There's no reason to trust a cooperative less than a private-owned company. Cooperatives have been used for centuries by farmers, consumers, hospitals and professionals. It is how the best universities in the world, like Oxford and Cambridge, are managed. The current corporate structure of Australian universities is accountable to no-one. It leads to cruelty and the destruction of our intellectual heritage, the theft of students' right to a world-class education and staff driven into ill health, unsafe work and unemployment.

NICOLE MATTHEWS: Thanks very much for asking me to speak. I'm an elected member of the university council at Macquarie, but I'm not speaking as a council member today. In fact, I'm legally prohibited from disclosing discussions within the council or for sharing information I have access to as a member. You may take a view on that. I'm speaking in my role as an employee at Macquarie for 19 years, as an elected representative on the university senate for a maximum term of six years, as NTEU representative on the university's diversity, inclusion and belonging steering committee, and as a health and safety representative.

In my view, Macquarie has adopted a command and control style of management that views staff as a threat to be neutralised rather than a source of expertise. Management has reshaped organisational structures to concentrate power in the hands of a small number of executives. My maths isn't great, but nine out of 10 of those people are men at the moment. The diversity and inclusion committee structure, for example, was recently reorganised, with an explicit rationale to remove a parallel power structure. If you report sexism or racism, the dean of the faculty is the person charged with taking that up the line. Similarly, if there are issues around health and safety, the dean takes those issues up.

I note that of the staff made forcibly redundant at Macquarie last year, seven of nine were women, and the university is no longer listed as an employer of choice for women. One of Macquarie's principal functions in its founding Act is the provision of teaching and learning that engage with advanced knowledge and inquiry. However, academic experts have few opportunities to contribute to decision-making around what courses are taught and what research is done. Decisions are often rushed, secretive and made by those without specialist knowledge. Where expertise doesn't match with management preferences, it's sidelined. For example, an extremely competent colleague who just published a book on artificial intelligence was recently removed from a role as course director because they didn't have a sufficiently positive view on AI. Another example is there have been no university-wide Your Say staff surveys since 2019, and the results of the 2019 survey weren't shared.

The rationale for job and course cuts has never been adequately explained. Redundancies have been made in areas with booming enrolments. In my own discipline, media studies, described by a former head of department as highly profitable, we had a 40 per cent increase in unit enrolments between 2020 and 2025. That's 120 extra tutorials every single week. But we were told last year we had to lose seven staff, and this is in the context of having lost 13 staff during the COVID era to voluntary redundancies. Much of the work of these staff is now being done by casuals. Elsewhere, lecturers are being told to teach outside their area of expertise—for example, maths educators teaching early childhood students or language experts being tasked with teaching technology.

Constant organisational change, a perception of favouritism and targeted redundancies have created a chilling effect where staff refuse to speak up in meetings and even won't submit WHS psychosocial hazard reports because, I quote, "You don't want senior management to know your name." I have a sense of dread about presenting in Parliament today, not just for myself but also for my colleagues. As Nick said, the home disciplines of the branch president, vice-president and treasurer of the Macquarie NTEU branch were targeted for staff cuts, while the home disciplines of faculty directors and heads of school were all declared out of scope during the last round of redundancies. I note that in the wake of these redundancies, two of three arts representatives in the academic senate who were elected in 2024, both women and active union members, are no longer employed by the university and will be replaced by nominees of the dean.

In my view, the current governance structures are not well placed to manage these risks to quality education at Macquarie. For example, the academic senate is prevented from discussing resourcing issues such as class sizes or the accessibility of buildings. These are described as operational matters, despite having a profound impact on academic quality and standards. Such critical issues can only be addressed at council meetings because of this prohibition of discussion in senate, and that's a body at which very few members have a background in education or even in the provision of public services. The lack of transparency of council deliberations means that staff, students and the community more broadly really cannot be confident that issues like staff-student ratios, casualisation of teaching, inclusion on campus, political bias or even nepotism in resourcing decisions are being adequately addressed.

JUMANA BAYEH: Good afternoon, honourable members. My statement focuses on the personal costs of governance failures that have led to leadership decisions that are brutal and punitive. I speak of my own experience, but it captures what many staff have endured. Since 2020 my faculty has been subjected to a rolling set of change proposals—I believe five in total, including three restructures, two of them being quite major. All of these caused profound distress to staff. The peak year of change in the Faculty of Arts was 2025, immediately following the destabilising 2024 restructure, which was implemented in January 2025. In February 2025 there was a workforce planning paper, and in April a curriculum review paper, described by a faculty executive member as a "stress test" because it outlined programs to be shrunk or expanded. The atmosphere was dire.

Then on 3 June the executive dean appeared on our screens for less than 16 minutes to announce the change plan, which largely implemented the curriculum review. About 70 positions were slated for redundancy in arts. My discipline of politics and IR was the only one targeted in my school, and we were meant to lose—and we did lose—four people, or 3½ positions. As a member of the faculty's DEI committee and as one of a few Arab women, or possibly the only Arab woman, teaching Middle East politics units in Australia, and as the first in family to university, I felt an extra responsibility to highlight these issues to management. The DEI committee responded to the change plan's alarming deficiency in safeguarding DEI issues—deficiencies which run counter to Macquarie's own Diversity, Inclusion and Belonging Framework.

Our efforts made no difference. The implementation plan was rolled out on 30 October. Those of us in scope were required to reapply for our jobs, addressing three criteria: 25 per cent research, 25 per cent teaching and 50 per cent alignment with our school, faculty and university's future teaching and research needs. We were expected to do this despite there being no research or teaching strategy documents at the school or faculty levels. As such, the alignment criteria was, I would say, intentionally vague. On 4 December I was informed of my redundancy. I am currently appealing this decision that has the real potential of ending my career. The decisions were made by the executive dean, the dean of students and the pro vice-chancellor, research. When the news was delivered to us, our executive dean was conveniently abroad on university business.

The feedback on my redundancy suggested I was sacked because I lacked alignment. My school offers an international studies program that crosses politics and culture. My expertise sits squarely across these fields. I am teaching in the new Bachelor of International Studies in two units, and this has started already this semester. My position is meant to finish on 5 June. There is a teaching need in this program, as it has been expanded from eight to 23 units, so how do I lack alignment in teaching? There are no plans to delete the two Middle East politics units I normally convene. They have exceptional enrolments. They have grown by 40 to 50 per cent in the last two or three years. A casual will be appointed to teach my second semester unit. How is my position redundant?

In terms of research alignment, the question is even more murky. In August—that is, two months after the change proposal was started—I was internally vetted for a future fellowship. Macquarie University's expression of interest process required me to set out how I and my project aligned with Macquarie's future-shaping research priorities and teaching needs. I passed that hurdle and was invited to proceed to full application. The application included a support letter from the DVCR's office, which unequivocally affirmed my alignment with Macquarie's research and teaching needs. The future fellowship was submitted by Macquarie's central research office on 4 November, exactly one month before I was made redundant. Again, I ask how do I not align?

I also add that I have a current ARC discovery project that is in the last year of its life. The redundancy feedback stated that the panel's decision was taken to the DVCR for "validation"—that was their word. If that happened, it would mean that it was taken to the DVCR one to two weeks after the same DVCR's office submitted my future fellowship application. A climate of fear permeates the faculty where staff fear retribution for speaking out. That's the feeling that we all have. I am in the middle of an appeal, awaiting news of an independent academic assessment of the redundancy decision—a process afforded to me in the enterprise agreement. Being here is not without risks to me. My career has been derailed. My health has increasingly suffered.

Even prior to this current horrible moment, on occasions I have had to battle to retain, or be allowed to exercise, certain workplace rights. One prolonged instance of this left me hospitalised and I spent weeks

recovering. I have been spoken to aggressively and dismissively by the executive dean on numerous occasions, for instance, when I raised a question about the restructure from a DEI perspective. I am not alone in these experiences with management, especially with the dean. Staff and students have been yelled at, repeatedly denied promotions and marginalised in a myriad of ways. The impact of these encounters is reflected in the Australian University staff wellbeing report—the one that was released recently. Fifty-six per cent of Macquarie surveyed staff fall into the very high risk level of psychosocial harm and this rises to 84 per cent when you add the high-risk category.

Colleagues who face redundancy have sought trauma counselling or taken extended stress leave. I am not a lone victim of these sham redundancies. Like me, a colleague with a grant application supported by Macquarie, on grounds of alignment, was made redundant. Another colleague, currently the lead chief investigator and second chief investigator on two separate active or current ARC discovery projects, was pushed into a teaching-only role on the grounds that their research was not strong enough and did not align. A member of the redundancy panel is or came from the DVCR's office. How—or why, I probably should ask—was all this overlooked? Seven of the nine forced redundancies were female. Two women of Arab background were in scope and were both made redundant. Sociology and my discipline, politics, are left with one woman each. Culturally and linguistically diverse staff were pushed into teaching-only positions.

There is an over-representation of neurodiverse staff in the redundancy pool. These are just some of the DEI failures that we warned against. What all of this suggests to me is those of us targeted did not suffer from a lack of alignment. What we likely did not align with was a new workplace culture where I, to speak of myself or my own case—a female from an ethically diverse background as well as a union member—no longer fits what Macquarie's executive wants. Our faculty has been ruined by this brutal approach to change management and governance. Macquarie was once a collegial workplace. The last several years have turned it into an excessively unsafe work environment. I feel that only a failure of governance could produce such devastating outcomes.

The CHAIR: I just want to note, given the content of all your opening statements, that there is the possibility for this Committee to resolve to go in camera, but that is up to you. Some witnesses prefer that; others prefer that their evidence is made public, but I want you to know that that is an option. I'm sure the secretariat spoke to you about that in the preparation, but I just want to reiterate that, given the content of your statements.

NICHOLAS HARRIGAN: I think we want to go on the record.

NICOLE MATTHEWS: Yes.

JUMANA BAYEH: Yes.

The CHAIR: Okay. Thank you. If at any stage that changes, please signal that to me and we'll take that into account. Again, thank you all for being here and for those opening statements. It's hard to know where to begin. I presume that you may have seen some of the evidence that we received this morning from other members of Macquarie University. One of the questions that goes to many of the things you've all raised and which I asked of the dean of arts and the vice-chancellor was about the redundancies in the arts faculty and the idea that the alignment between the staff and the subjects being taught—there was no longer alignment. But I've got a list—and I'm sure there are more—of particular subjects that are still being offered but are now being taught by casuals or other staff. Do you have any reflections on that situation?

NICOLE MATTHEWS: I'm happy to start off. I think the analysis that Nick offered is a pretty good reflection of what I suspect is going on—that has never been stated to us—which is that, currently, a lot of the continuing staff have got a research component to their work, and I suspect that claiming that numbers will drop is part of the process of replacing those people with teaching-intensive folk. It saves a lot of money if you employ casuals instead of continuing staff. That's the only thing I can suspect is going on there.

NICHOLAS HARRIGAN: It has been reported to me by multiple academics that classes that were taught last year by past staff made redundant or who have taken VR—voluntary redundancy—are now taught by casuals. We can get the Committee a list of those, because I don't have them with me right now. But, definitely, that's possible.

The CHAIR: That would be great. I think one of the answers today was, "That's just subjects that we have to finish off, and then they'll be done," because it was said that they'd be offered or people had enrolled, and there was some continuity aspect. Is that correct?

NICOLE MATTHEWS: No.

NICHOLAS HARRIGAN: No, they're not. Take media, particularly, because it is just surging with students. It is such a popular, growing area, and it was slated for seven redundancies. There's no reason that anyone can see that that needed to happen. I can also just say, all of the disciplines that were targeted made submissions,

and those include really detailed analysis by staff of the fact that these were not needed, these were not valid, and there was tons of work, basically, for people to be doing. The university has committed to reducing the percentage of casual staff in relation to full-time staff. It's in the enterprise agreement, but it looks like there's no way that they will meet that. That's going to be driven partly by the fact that they don't have staff to teach many of the subjects that they've got on course. I don't think it is just a transition problem. I think it is actually quite real because no-one in any of these proposals has said they're going to teach less students. They're cutting 70,000 teaching hours, but they're going to have the same student enrolments going forward.

NICOLE MATTHEWS: I can definitely say that, as a media studies academic. One of my colleagues was made redundant. She taught into the course that I convene. Last year it had about 260 students in it, and this year it has 360 students in it. It's the most popular major in the Bachelor of Media and Communications: the PR and social media major. It's not going to go down. It keeps doing very well, and I literally had to find a casual to cover the tutorials that were covered by my colleague last year. I did that a month or so ago. The numbers in media have remained robust. I think we've got the largest major in the BA. The Bachelor of Media and Communications has high enrolments. I think they're pretty close to the Bachelor of Arts. Numbers are extremely robust in that area.

I would note that, for instance, one area that continues to recruit well is the journalism major that's offered in our area. We not only lost someone in VR—we actually lost two people through a VR process that took place—but, subsequent to that, some of our recent hires, who were absolutely on the cutting edge of research looking at journalism and AI, have chosen to leave the university because they're like, "We were here for two years, and we're having to apply for our jobs again." Another colleague who works in digital first journalism is going to be leaving to another university because it's just not a nice place to work. It's a very unpleasant place to work. Those people weren't targeted for forced redundancies, but the atmosphere of anxiety, not knowing what's coming next, not getting clear communications and having this conflict between seeing our booming numbers and then being attacked for redundancies makes no sense. We're sitting around going, "Why is this happening? We don't understand." People were saying things like, "We can't tell you what's coming down the line. There are going to be more changes, but we can't tell you what they are," or, "You'll just get confused if we give you deadlines." This is a room full of people with PhDs. Like, "Okay, try us."

The CHAIR: I have a question about the voluntary redundancies. We had evidence from witnesses from the University of Wollongong, and there were voluntary redundancies there as well. But I recall some of the discussion being that some of those voluntary redundancies don't feel quite so voluntary. In some cases, people feel like they're forced into a decision. Is that something that you've seen in your time?

NICOLE MATTHEWS: I think in sociology it was particularly visible, to be honest.

NICHOLAS HARRIGAN: Yes. I have emails and messages from staff who have said, "I didn't want to go, but I've lost hope. Either I take this, or I'll get kicked out." In sociology, there is no-one over the age of 55 in the whole discipline. Any talk of these people being retirement age is not true, as far as I know. All of the staff who took voluntary redundancies told me explicitly they did it so that they hoped that management would weaken their proposal to sack as many people, because some of them took voluntary redundancy. That didn't actually turn out to be the case. Management went through with the whole thing. I don't know of any person in sociology who took a voluntary redundancy who wanted to take it, and I know of a lot of people across the rest of the university who took it out of either losing hope or thinking, "You either take it, or you get pushed."

NICOLE MATTHEWS: I could add to that. I can think of one person I had a conversation with who said, "Look, they've been out to get me for ages. If I stay here, they're going to find a way of getting rid of me."

JUMANA BAYEH: I have a colleague who did take a voluntary redundancy—voluntary in inverted commas—I believe. He's not at retirement age. You asked earlier about the units. The units this person taught were Modern Political Thought and Political Violence. These have been rested and deemed against Encountering the Middle Ages—I think the other one is Terrorism and Counterterrorism. Political Violence will be deemed against a different unit for students. Another colleague who was made redundant—not voluntary redundancy. His units are going to be taught by a casual in second semester. Let me tell you what they are. I want to say the title so that you can understand what Macquarie is proposing to get rid of: Contemporary Issues in Australian Politics, and United States Politics.

The CHAIR: Clearly, none of those are important!

NICHOLAS HARRIGAN: No.

NICOLE MATTHEWS: Who needs that?

The CHAIR: Flippancy aside, I want to go to you, Professor Matthews. You said, "They're out to get me." Dr Harrigan, in your statement you spoke about feeling that there's a culture of not being able to speak out. I'm reluctant to put you in situations where you feel you're going to say things which put you in more of a situation, but you may have seen or heard the questioning by my colleagues in earlier sessions today to the dean, the DVC and the vice-chancellor, particularly about attitudes towards the NTEU. Is there anything that you are prepared to share which might shed light on the experience?

NICOLE MATTHEWS: I gather from speaking to people who were able to listen in earlier on that there was an impression that the tearing down of union posters was a thing that only happened on open day. It did happen on open day, and there's a record of it happening on open day. But it was such a standard aspect of life in 2024 and 2025 in the arts building that we actually made a joke about it. We put a second poster under our union posters with a joke from *Star Wars* saying, "Every time you tear down a poster, it only makes us stronger." This is something that happened day in, day out.

We did poster-ing again and again just because we wanted to make sure that the next union meeting was being publicised or whatever. This was not a one-off. This was a regular event. You could ask the question of whether it was a good use of public resources to pay senior management to manage the cleanliness of the walls in foyer areas. But I also documented the fact that other posters were left up. Non-union posters were left on the walls. They may not have been on the right pin board or whatever, but there were certainly posters that stayed up and never got torn down. The union posters were regularly torn down. It was part of a culture of hostility.

NICHOLAS HARRIGAN: I would say, even to the extent of—staff members who are not very political had a union poster on their door. It was ripped down but half of it was left up, which is almost sort of intimidating—that you have this ripped poster on your door that you can see is not supposed to be there. It happened so much it was like a running joke, but also very serious. When the first change paper came out, there was only one level B, which is lecturer level in science and engineering, who was targeted. There was not one other level B in the first change proposal in science and engineering. They were named by their position. They managed to narrow it to this one single person. He's one of our most prominent union activists. He was the only lecturer in the whole of science and engineering who was targeted.

The CHAIR: Are you saying there were other levels that were going?

NICHOLAS HARRIGAN: There were levels C, D and E, but there were no level Bs except one person. The staff fear is pervasive. I think it's not just about the union; I think it's really important to emphasise that no-one feels safe. I have so many people who want to be activists or want to get involved. I've got a full professor in another faculty. He's like, "I'll get involved in the union after I have achieved another few of my career needs, because I know what will happen to me or my doctoral students if I get involved." It's just regular—people don't want to say it, but they manifest it in everything, whether you speak up in meetings or not. The rumour that is said multiple times is that one of the staff who was made forcibly redundant was not in the union, but everyone who was in their discipline said it was because they embarrassed the executive dean at a meeting.

NICOLE MATTHEWS: One meeting.

NICHOLAS HARRIGAN: This person did one meeting. They embarrassed the executive dean and, because of that, they were the person who was targeted. No-one can prove it, and that's the problem, right? Where do you find the paper trail? Where do you find the evidence? We have evidence that's statistical and evidence that's associational, but it needs further investigation. It would require us getting the GIPAA documents but them all not being redacted. But, as you know, we get huge pages that are just blacked out.

NICOLE MATTHEWS: Just to add to that, the person we're talking about who was made forcibly redundant was trying very hard to do a good job in a very, very well recruiting unit—it was actually teaching tutorials of 90 students—had taken on the responsibility of trying to manage these huge numbers that we have in media, had immensely popular units and was a very highly cited academic as well.

The CHAIR: Ninety students in a tutorial? I used to scream at 40.

NICOLE MATTHEWS: I know.

NICHOLAS HARRIGAN: It's not a tutorial, is it?

The CHAIR: Yes, that's not a tutorial; that's a mass lecture.

NICOLE MATTHEWS: I would have been saying, "No, I'm not going to do that." But this person was being very obliging—so, yes, not only not a union member but also very obliging.

NICHOLAS HARRIGAN: Can I also say that I think that the feeling among staff is that to get promoted or to become a manager—like associate deans and these sorts of roles—what you have to do is collude with

management to reduce the quality of education for students. That is the basic equation: that management want to drive down the quality of education. They want to implement large tutorial sizes each year, they want to short-change tutors, they want to cut subjects, they want to restructure again and again and again. That's the price that you pay for getting promoted or the price that you pay for getting in a managerial position—to collude with that.

The CHAIR: Before I hand over to my colleague, can I ask a question about that. We've obviously had Macquarie leadership in here today, but we've also spoken with other leadership at other universities. I believe them when they say their aim is not to drive down the quality of education. I'm not arguing with you that that's the result, but is that the motivation? What do you think the motivation is?

NICHOLAS HARRIGAN: Let me let me ask you a question. Law got virtually all their electives abolished last year. I think our law school is one of the biggest in the Southern Hemisphere. I don't mean to be rude, but it's a very big law school. What do you call abolishing most electives? Do you know what I mean?

The CHAIR: No, I hear you. I hear what you're saying about the result is that. But are university managements thinking, "How do we reduce quality?" or are they thinking something else—"How do we reduce cost? How do we increase our surplus?"

NICHOLAS HARRIGAN: I think they want to reduce cost. It's true.

The CHAIR: That's what I'm getting at. They're not sitting there going, "How do we reduce quality?" They're prioritising something else, aren't they?

NICOLE MATTHEWS: Yes.

The CHAIR: I'm asking you to suggest what—

NICHOLAS HARRIGAN: Yes, they are, but I think that they can do the maths, and they know what—there were a lot of teaching-only positions introduced in the last round. They would try and make their numbers seem smaller by saying, "We're going to get rid of all these research positions, but we're also going to put people back on in doubled-workload teaching-only positions." I mean, they know what the result is. We have limits on how many assessments we can ask or whether we can even require students to attend classes. It may be ignorance on their part, but I don't think they're ignorant to what the consequences are of all of this stuff.

NICOLE MATTHEWS: Can I throw something in? I was on senate for six years, and there were obviously conversations about ways of economising on teaching. One that really sticks in my mind was somebody who's no longer at the university but very much had a similar view of the way teaching ought to be managed. They said, "Well, we have a work-integrated learning program. We need to make it more industrial." This is making things more industrial—making them quicker, cheaper, more automated, less contact time, fewer assessments and more able to be done by a student who's working 30 or 40 hours a week, as lots of our students are. That pleases some students that want to come in, do a minimum amount and get out with a piece of paper. That's the type of student that the university wants to please.

It's also very efficient if you don't have them on campus—if you don't have to see them too much—or if you don't worry too much if they're using AI for their assessments. You kind of go, "Part of the modern world. Off you go. Jog on." The Federal Government hasn't funded research infrastructure particularly well, and we all know that the funding that has been going to universities has been dropping from the public purse. It has been dropping for decades. It's only 40 per cent of the cost now; 80 per cent in the past. How do you keep your pet projects, as Nick was talking about them—your big research investments? I've heard the chief finance officer say in our implementation committee, "The only place you can get it is teaching."

That's where we get 90 per cent of our money. That's the place we get the money to fund the fancy new buildings that might appeal to international students or to fund the research projects that are the pet project of the research leadership or whatever. You can only get it from teaching, and it's a good place to get it in the arts. We have students paying 14 grand a year for their degrees, and they cost very little to teach, comparatively speaking. It's a really good way of squeezing more money out of arts teaching and decanting it to other parts of the university. It makes sense if you need to—I mean, currently they don't get much money for the science and engineering. Six grand a year from students—they need to get the money from somewhere. They're getting it from arts. That would be my suggestion.

The CHAIR: That answers the question as to the potential motivation, which is what I was getting at with my question to Dr Harrigan.

Ms ABIGAIL BOYD: Thank you all for coming and for giving us the benefit of your experiences. I know how hard it is, but it's incredibly beneficial to hear it. It is also really upsetting and quite depressing

because, although it's really shocking, it's not surprising, based on everything that we've been hearing across universities and a bunch of academics I know who are in the process of being managed out or have lost their jobs. It just seems very widespread. I don't know if you were listening to the evidence from Pilbara.

NICOLE MATTHEWS: I didn't have a chance to.

Ms ABIGAIL BOYD: Effectively, my layman's understanding of it is that they have a bit of modelling software that takes in all of the data that a university gives it around the hours that staff work, what they're paid, whether they're at permanent or casual level, all of the courses and what the uptake of those courses is, how many students are overseas students, how many are on HECS and blah, blah, blah. It then spits out recommendations of optimisation and, effectively, cost cutting. In the course of asking them questions, what became really clear was that there were no inputs given to them in terms of any boundaries around that naked cost-cutting exercise—whether something was allowed by an EBA or even by law was not considered.

The idea of getting rid of permanent staff and replacing them with casual, that sort of thing, didn't get entered into their model as some sort of guardrail or bound on what the result would be. Also any sorts of ethical quality concerns were not put in there either. In response to our questions, they said that the data, to the extent that it is then used by a university to make a decision, is available for the university to look at. The question is, now that you're aware of it, if you weren't before, is it something that you would now look to try to access in order to work out why Macquarie University is making the decisions that it's making?

NICHOLAS HARRIGAN: I think yes, but I just don't buy the premise that they write those sorts of things on. I taught in Singapore. There my job was to teach four classes a year of 45 students for three hours, and it was absolutely perfect. It was the most incredible teaching experience that I had for 10 years. Those students got the best education they could have got, as good as they could have got at Oxford. I don't think there's any way—in this Australian system, if you've got everyone making this kind of cost cutting and driving those benchmarks down, I don't think it's meaningful data at all.

I was at Oxford for three years. There you have students getting one lecturer to three students for an hour every week or two per subject. I just don't buy models like these from consultants at all. It doesn't make sense. In teaching, there are fundamental things like making sure students turn up to class, making sure they do their readings, then making sure you have a high-quality lecture that synthesises it and then have them practise the skills they've got in real time with you so that you can give them immediate feedback on it. I don't think any of those points would be in their model. I just don't buy it at all.

Ms ABIGAIL BOYD: How do you feel about the fact that Macquarie University has been using them and, in that process, giving them quite detailed data about the amount of hours spent on prepping for classes or lectures, the amount of time spent teaching and what your pay is?

NICHOLAS HARRIGAN: Do you know what it feels like at Macquarie? I've said this for eight years, since I've been there. It feels like we've got a bunch of private equity investors who've taken control of the executive. They look at spreadsheets and they don't even know the industry they're in. That you tell me consultants are doing this doesn't surprise me at all. It feels like exactly what the executives do as well. I got to meet the vice-chancellor maybe five or six years ago, when they did a whole lot of redundancies. I think, it was a whole lot of redundancies around COVID perhaps. I asked a question to the vice-chancellor. I said, "Staff say that they are profitable and that in fact the subjects you're cutting are profitable." He said, "They wouldn't know that, because I don't give the managers those figures." He said he was not sharing the data from his Excel spreadsheet. Then he would later quote from his spreadsheet and say, "I look and there are no students in these classes on my spreadsheet," that kind of thing. I don't feel that we are run by people who are teachers or who are even researchers.

JUMANA BAYEH: They're not at the coalface. That data that you're talking about where they bring all this material together and they spit something out—if I can say it like that—having looked at some of the modelling in the GIPAA documents, they're very good at multiplying and adding their own bounty and dividing and subtracting from ours. For example, I can give a very specific example. I think, Nick, you were in that meeting. I wasn't. It was reported to us that marking per student now is 36 minutes. Each student gets 36—

NICOLE MATTHEWS: Per semester.

NICHOLAS HARRIGAN: For the semester.

JUMANA BAYEH: —for the semester. I'm a very, very experienced marker. I need at least 30 minutes to mark an essay; and that's a good essay, so it doesn't need as many comments. It's about 2,500 words. Our casual tutors are expected to do all of the marking for a student for 36 minutes. Where did that figure come from? They gave us a reason. They gave us an explanation about checking, marking data, what our casual tutors are claiming

for marking, but that doesn't cover how many hours they're spending on the marking. Like I said, the figures that they're pulling is to divide and subtract from us so that they can multiply their—

NICOLE MATTHEWS: It's algorithms that have got wage theft built into them would be the way I would describe it. In our workload model, we're given two hours prep per hour of original lecture. I'd like to see anyone sit down and write an hour lecture, even if it's something you know backwards. I might spend two hours looking at a lecture I've written before, dusting it up, adding some new examples, thinking about what didn't work last year. If I'm writing a new lecture that's going to take me two or three days. If I don't know much about it, it might take me a week. But that's built into those workload models.

The 36 minutes for marking, previously the allocation is one hour per student per semester. If you're trying to monitor what's happening in classes or you're trying to do innovative assessments—I do vivas with my students to try to really get whether they are understanding or not—that takes time to do that well, to build the relationships especially with students that are first in family or students who might be anxious, which is lots of our students now. It takes a lot of time to build that. None of that is built into those assumptions. The algorithms are taking what were already absurd numbers and then crunching them.

Ms ABIGAIL BOYD: They're putting requirements on you that then mean you have to do a lot of unpaid labour and then taking that unpaid labour influenced data and putting it into their model and then spitting out even more cost efficiencies.

NICHOLAS HARRIGAN: That's it.

NICOLE MATTHEWS: The teaching intensive roles are a great example. They're absolute burnout material, those teaching intensive jobs. My job is a 40-40-20 job. Theoretically, I have two days to do research, two days to do teaching, one day to do admin. In reality, you spend most of your time doing teaching and admin. If you don't have kids or you don't know their names, if you don't have hobbies, you probably spend your weekend doing the research or you do it in the evenings. You get a systematic disadvantage to caregivers. If you've got elderly parents you're looking after, if you've got kids and you want to know what their teacher's names are or what sports they're playing on the weekend, you can't do that extra stuff. You end up—I've been on promotion panels—with a really clear twin-track system between caregivers and non-caregivers. Often that means women and men, but men who know their kids' names are also disadvantaged in this sort of set-up.

It's not only that the algorithms have got unpaid labour built into them; they've got prejudice built into them. There are prejudices against anyone with a chronic illness who can't work 60 hours a week like the census data that Jumana mentioned. It said that at level E, the expectation is there will be 12 additional hours. Their survey respondents said that there are 12 additional hours done per week for a level E professor. I think it was something like nine at my level—level D. That's a day and a half extra a week that you're expected to pack in. That's the externalising, I guess they say, in the green context. That's being externalised. Just like fossil fuels emissions are externalised, that unpaid labour is externalised from those algorithms. It can only lead to further work intensification.

When you get people then getting told they have to do twice as much teaching, if I'm already spending 3½ days of my week doing teaching and a little tiny bit of research and admin, when someone says, "Oh look, Nicole's doing 40-40-20. Let's give twice her amount of teaching to this poor soul," who's doing a 70-30 contract, or whatever—an 80-20 contract—they can't possibly do that work without burning out. We made a joke. It's like the difference between human years and dog years. A 40-40-20 person, it's like dog years in teaching intensive work because they're just exhausted all the time. They can't do it; it's impossible. Using those stats to make projections is just crazy.

Ms ABIGAIL BOYD: It's dystopian.

The Hon. ANTHONY D'ADAM: It sounds like the university really just treats courses like product lines. Is that a fair assessment?

NICHOLAS HARRIGAN: Definitely.

NICOLE MATTHEWS: They actually have a committee—the educational products committee—which has no governance. It doesn't sit under academic senate. It's a purely management committee and that's where the idea has come from. I'll be quiet but, yes, that's it.

The Hon. ANTHONY D'ADAM: I wanted to ask—just so that we can get it on the record—a couple of things about how the structure operates. We heard from Professor Chris Dixon earlier today. He's the executive dean. Are there non-executive deans?

NICHOLAS HARRIGAN: Yes. There are deans of schools. There's four faculties. They have an executive dean, and that executive dean then sits on the executive. There's about nine or 11 of them, executive members. Then there might be dean of the law school, the dean of our school of communications and social science, and so forth.

The Hon. ANTHONY D'ADAM: Are those appointments arrived at through a collegiate process?

NICHOLAS HARRIGAN: No, not at all.

The Hon. ANTHONY D'ADAM: Who appoints the deans?

NICHOLAS HARRIGAN: The vice-chancellor, basically. The vice-chancellor chooses everything.

The Hon. ANTHONY D'ADAM: Basically, the vice-chancellor decides—

NICHOLAS HARRIGAN: The vice-chancellor decides everything, yes.

NICOLE MATTHEWS: Even the heads of schools are no longer—we don't have disciplines or departments anymore, so even down to the level of discipline chairs and course managers, they are appointees of somewhere within the faculty—

NICHOLAS HARRIGAN: The official collegiate structure's dismantled.

The Hon. ANTHONY D'ADAM: That was the case at one stage in the past?

NICHOLAS HARRIGAN: Yes. I was actually at Macquarie as a student the year that they announced that they were going to executive deans being appointed. They told us, "But you'll get world-class people." I remember that meeting about 30 years ago. They've just dismantled the entire thing. My understanding is that 2011 and 2012 legislative changes in this Parliament which came from University Australia's recommendations—which is basically the vice-chancellors' committee—transformed university governance. Instead of six appointees from this Parliament and so forth, they actually are appointed by—the University Council itself appoints its own members. It's just a self-governing club.

The Hon. ANTHONY D'ADAM: I'm interested in the evolution. It seems like that part of the governance problem is an increasing centralisation of the structure with vice-chancellors who, obviously, sit at the pinnacle and have a high degree of discretion in terms of decisions that were once made at a much lower level. I wanted to ask you what should the structure look like? How should we make decisions about what the course offerings are in universities? Obviously, there has to be some change over time. There has to be some flexibility and, of course, if numbers plummet, someone's going to have to make a hard decision about whether it's viable to keep a course going. How should that decision be made in a—

NICOLE MATTHEWS: I think the critical issue is, as I said in my opening statement, there has to be academic expertise involved in that decision-making. I teach in media. Things change all the time in the media studies area. You obviously need to change content, subjects, et cetera. Academics have the knowledge to be able to say, "Yes, this discipline's evolving, we need to do new things here." You might have a whole institution steered to some extent, but if you come in from outside and say, "We think this is a groovy new area, we want to set up a unit in it," but you actually don't know anything about it, the quality of offering is not going to be there. You really have to have people involved who do understand what's happening at the ground level and know what's happening in classrooms to know how can we get around the challenge of AI, assessing in an AI era? Or how are we going to manage the emergence of this new topic that's important to us? I think that sense of dialogue across the university, but also keeping academic expertise involved in the process, is really important.

NICHOLAS HARRIGAN: I would just say it's straightforward. It should be a collegiate structure. When I was at Oxford you had colleges that were self-governing institutions. The parts of expertise across those departments and so forth chose the curriculum. Then there's a federated structure from that which makes the decisions about the larger scale decisions. I think that structure we know from other places, and I think it guarantees professionalism. I do think that there is in most cultures an idea that professions have some level of self-governance, and I think that it should be a similar thing applied to academics. It's been completely dismantled. As Nicole said, it guarantees that the experts are designing the parts of it, and then I think, when you do it in a federated structure, you don't get this thing going on now where it's "Well, we're only going to spend one-third or one-quarter of the money we make on teaching on teaching, and then we'll use it for something else." You wouldn't get that if you had a federated structure of lecturers and so forth.

The Hon. ANTHONY D'ADAM: Isn't the counterargument that there are some degrees that are relatively cheap to deliver and there are expensive degrees, and at some point there has to be some reallocation of resources?

NICHOLAS HARRIGAN: Yes, of course.

The Hon. ANTHONY D'ADAM: How does that get decided? How do you avoid the situation of those high-profit—for want of a better way of describing it—faculties hoarding the money?

NICOLE MATTHEWS: I guess that's not something we've ever really encountered, as the sort of cash-cow end of town. But the thing is, if you talk to most arts academics, they're not saying, "We want lots of machinery; we want a particle accelerator." They just want a little bit of time and a pen and paper to do the stuff that they need to do, and most people in academia are reasonable people. If you say, "Would you like your colleagues to be developing a cure for cancer?", they're like, "We're in for that; that sounds like a great plan." I don't think that there's likely to be that much of a problem because most people respect the other disciplines within the unit.

It's like a big machine, and I'm kind of happy to be a little cog in a big machine. I was so pleased when I was at a staff development day the other day hearing lots of people in the Smart Green Cities Research Centre at Macquarie talking about environmental processes in modern cities. I love hearing that stuff because it's part of the development of knowledge—part of the way we can look after society more broadly. Most academics are really interested in knowledge, collaboration, working together, improving society. It's a part of our core business, so I don't think it's likely to be a major problem that we say, "Oh, hey, we're cheap; we want to hang onto all the money and get great oak desks" or something. I don't think people are likely to do that.

NICHOLAS HARRIGAN: No. I think you just authorise the federated structure to be able to have the ability to overrule sectional interests, basically, like you give those bodies like academic senate. Our problem is not that academic senate or the council makes decisions about allocation. It's just that the interests that it's making those decisions in are, I think, opposed to what is in the interests of staff or students or the Australian community.

The Hon. RACHEL MERTON: Thank you for your time. Dr Harrigan, I noted in your submission that there is a call for the Auditor-General to conduct a performance review of the governance at Macquarie University. I was wondering if you might be able to elaborate on that.

NICHOLAS HARRIGAN: I would need to take it on notice, basically.

The Hon. RACHEL MERTON: I can reference it—

NICHOLAS HARRIGAN: No, I know it's there, and it's something that I think you'll find in all of the NTEU submissions. I think I will just take it on notice because I'd like to give you a proper answer.

The Hon. RACHEL MERTON: Thank you, and just in terms of the context of this, because that sort of came under the area of the paper that spoke about priority reform and directions and governance failure.

NICHOLAS HARRIGAN: Yes.

The Hon. RACHEL MERTON: I'm just wondering if there was transparency—

NICHOLAS HARRIGAN: Look, I want to take it on notice just so that I can give you a proper answer. We outlined very specific issues we have with the different elements of governance and the finances, but I'll take it on notice.

The Hon. RACHEL MERTON: In some of your opening comments, you were talking about conduct on the campus and union materials—posters and stuff. I'm Macquarie University alumni. I've spent many years on the campus there and have witnessed firsthand the beauty of political debate, activity, discussion and discourse. I've seen and experienced a lot of this from many different ends. I guess I am just picking up your point, probably just getting a greater insight into how this is concerning you, sort of outside the general political discourse that university campuses are well known for.

NICOLE MATTHEWS: The great thing about universities is they are a space where, our enterprise agreement specifically says, we can speak out about matters related to our expertise. Even if it involves criticising the university, we're officially allowed to do it. Also our students are allowed to engage with exciting ideas and talk to each other about the different ways of running a society and sharing understandings of the world. There's often a political dimension to that. That's great and fine. It's a little bit troubling when people who have power within the institution—like who are employers, or who are the senior staff in the institution—choose to specifically remove posters of, for example, our union.

It kind of suggests that there's not a free flow of information and sharing of political ideas on campus. It suggests that certain sorts of people who say certain sorts of things will get on and other folks won't get on, and it maybe suggests that there isn't the sense of safety on campus—that the cut and thrust of political exchange is not really available to people there. That's worrying, I think. I think it needs to be a space where people can politely

and safely share political views. It would be really troubling if universities were no longer those kinds of places. I think it's also really important in terms of fair work that employees have the right to not be discriminated against by virtue of their membership of a union or not. I think that's a pretty basic principle.

NICHOLAS HARRIGAN: Just that video that you saw about the posters, that video stopped because the student, who was a graduate student who was taking it, was spotted by the executive dean who was being videoed. The executive dean then followed that student and, as they were going towards each other, stood in front of them, moved to stop the student going past, then held up one of the scrunched-up posters and said, "No," and then moved out of the way. That person, who'd been involved in the union quite a lot—I don't think I've seen them since that day. That dean just thought they were a law to enforce no putting up of these posters on open day. It is quite surprising for me that that person did it and I've got it sitting in my phone, that testimony.

The Hon. SARAH MITCHELL: Thank you for your evidence, all of you. It's been very powerful for us to hear. I'm not sure whether you heard some of the questions that I asked earlier, but just around the time frame for some of the processes around the redundancies, I have had some people, former staff, reach out to me, confidentially as well, raising questions around when consultation began, when decisions might have been made about which courses would be cut, and also the response into UAC around that, sort of suggesting that maybe decisions were made prior to consultation. You're all nodding, for Hansard's benefit, but if any or all of you wanted to speak to that issue and your views in relation to whether proper process was followed or what concerns are from staff about that.

NICHOLAS HARRIGAN: This happened during COVID as well as last year, where, because there was a requirement to let UAC know by a deadline, but management hadn't followed the proper processes of the university, they simply notified UAC in advance. They said, "Well, we can always withdraw it or change it at a later date." But, yes, it was definitely the case that—and I can get details of it—changes went to UAC. I think even staff members found out that their courses or majors, if I'm right—

JUMANA BAYEH: Yes, they did.

NICHOLAS HARRIGAN: They found out because they found it on the UAC guide.

JUMANA BAYEH: People checked UAC and then there was all this buzz and discussion amongst staff. Then there was a town hall meeting I think for the curriculum review paper, and our executive dean made a sarcastic comment about how smart his staff are to be checking UAC.

NICHOLAS HARRIGAN: But people found out about the things they teach into not being around, because the university had told UAC.

The Hon. SARAH MITCHELL: That was before any consultation with staff?

NICHOLAS HARRIGAN: Yes.

NICOLE MATTHEWS: And before the governance processes had been gone through for them.

JUMANA BAYEH: Can I just make a point about the curriculum review paper and then the change proposal? The curriculum review paper, I think, came out in April. It didn't have the status of a change proposal, so we could respond to it, but we didn't receive any feedback. Then the change proposal hits us, and we're told that at some later point, when people were asking the question, how does the curriculum review paper—they tie in with each other. One of them told us what was going to be discontinued or what was going to happen to particular bachelor's degrees or whatever and the other one implemented them pretty much perfectly across the two papers. But we weren't ever allowed to—there was no engagement with the curriculum review paper. We gave feedback, but we never received a response, and then the change proposal comes. That, to me, is a form of implementation before proper consultation.

The Hon. SARAH MITCHELL: Which I guess was going to be my next question, because my understanding with the enterprise agreement too is that there's supposed to be a process around consultation, versus implementation. In your view, was that done adequately or in line with what's meant to happen under the agreement?

JUMANA BAYEH: No.

NICHOLAS HARRIGAN: I would say that I think Macquarie is very careful at dotting the i's and crossing the t's generally about what would be the legal requirements, but it doesn't mean that it actually happens in any way that feels like you have any ability to influence the process or change the process or anything like that. I think management see it as a formality. It's a bit like that quote I gave before about the town hall. The town hall is a requirement, but they had deliberately said, "We're not going to say anything in the town hall." And they didn't say anything in the town hall. I went in to the eight-to-one meetings where they announced people were sacked,

and that's where they said the real things, but I feel like there's the spirit of what's intended by the enterprise agreement and there's the legal. I think the university does what they're required by law, but I don't think that it is a real, genuine consultation.

NICOLE MATTHEWS: That speaks to the fact that increasingly subject specialists are not being seen as a resource for developing curriculum.

NICHOLAS HARRIGAN: They're a problem.

NICOLE MATTHEWS: They're kind of seen as a problem to be wrangled. "How can we marginalise them and get them to shut up so we can do what we want?"

NICHOLAS HARRIGAN: We had a manager, and I know that they said this, because they said it to so many different groups of staff. Our executive dean would have these, "You can come in and ask us any questions." Him and the associate dean would sit there and people would go to ask questions or comments. It was done as a way of proving that they followed the process, but one of the managers who went to many of these meetings kept saying to staff as a counter to—staff would say, "Our area does all these really important things," and this manager would say to everyone virtually, "Oh, but everyone says they're special. Everyone says that their area is important." But this is just a way to discount everything. Imagine if you were making cuts in a hospital and every time some area of the hospital came in and said, "We do these important things," the manager in charge said, "Well, everyone says they're special." This is just a way of completely writing off anything that anyone says, right? There's a lot of these kind of Orwellian sort of thought-stopping behaviours that management do in these kind of meetings that just mean that—there's no way to really influence them or the situation.

JUMANA BAYEH: There's no way to make a case. For example, you might say to them that a student will respond well to the naming of a program called the bachelor of something, so you're trying to make a case for why a particular program should be called the Bachelor of Arts, majoring in, or bachelor with a specific name. Then we get responses like, "Oh, students don't care what degrees are called." And there was that famous line.

NICHOLAS HARRIGAN: Yes. Who said it?

JUMANA BAYEH: The Bachelor of Gumnut Studies, or something.

NICHOLAS HARRIGAN: Yes, that's right. "Students wouldn't care whether it was called the Bachelor of Gumnut Studies."

The CHAIR: I think they might.

JUMANA BAYEH: I think they would. That was as if our students aren't discerning.

NICHOLAS HARRIGAN: Yes, "Students don't care. Students don't even notice what they're studying."

NICOLE MATTHEWS: There's definitely a sense that the declining access to staff, declining choices of subjects, declining access to resources isn't a problem for students and that students aren't really bothered by that. "Choices confuse students" is something we are told a lot and that it's very confusing, if you're in a Bachelor of Arts, to have too many options of subjects to consider. I kind of think our students are pretty smart, actually. I've had teenagers go through the HSC, and it was pretty hard. And then they arrive at uni. They've done a lot of thinking by the time they arrive there. They're trying to find out about the world and what they might be good at. The idea that they're not smart enough to make those choices—they are smart enough to decide if they can join the army. They are allowed to drive a car. They are allowed to make choices about lots of things.

The Hon. SARAH MITCHELL: They can vote.

NICOLE MATTHEWS: They can vote for you folks or make choices there. The idea that they aren't, at 17 or 18, able to make choices and able to tell the difference between an essay that has been marked in 10 minutes or an essay that has been marked in half an hour, or a lecturer who has not ever seen this material—some of the casuals who have been brought in to cover our colleagues who have been made redundant are being given two hours to prep a new lecture in a course they've never taught before. They might have some materials, but they've never done this before. People can tell.

The Hon. SARAH MITCHELL: Have you had feedback from students who are picking up on this? That was going to be my next question.

NICHOLAS HARRIGAN: I am literally embarrassed about the fact that, since COVID, it has just been a churn of subjects and majors and everything that is being restructured. They restructure them very fast and then they create ways of giving people credit for subjects that don't exist anymore. It's really deeply embarrassing. For an arts degree, students are going into \$50,000 debt. I feel ashamed of the fact that we take \$50,000 from an arts

student, and those students enrol because of subjects they think exist that are changed. It's just constant, and often with very little planning. It's done at the last moment. We are left answering students' questions and trying to fill the holes that management have created. I just want to say, I'd like to make a comment about work health and safety at some point as well.

The Hon. SARAH MITCHELL: I was going to ask about staff morale as well, if that's a segue for you. Tell us what you would like to about work health and safety.

NICHOLAS HARRIGAN: I just want to say that my name goes on everything that the union puts out, like the GIPAA, the freedom of information and the appeal to SafeWork and so forth. In doing that and writing it, I got to read the draft code of psychosocial safety, which has been done by New South Wales. I learnt a lot in that. There really are two broad areas of ways that you deal with any risk. One is that you prevent it from happening or mitigate and then the second one is that, when harm happens, you address the harm. You make sure people go to the doctor or go to hospital or whatever. When it comes to psychosocial safety, my read of what is required in a workplace is a process that is transparent and free from bias. If you're in a workplace that is an institution that is not free from bias and is not transparent, it damages your health. That is a perfect description of Macquarie.

We put in a submission to SafeWork, and SafeWork did put in an interim order about Macquarie not complying. But I got to speak to the SafeWork officers and, I've got to say, I was disappointed with one of their replies. I said to them—and I've got my minutes of this; I've got 16 pages of notes from my phone call with this SafeWork officer. I can forward them to the Committee. I said, "How can you know that Macquarie are doing this safely?" The SafeWork officer said, "It's mostly the EAP," which is the employee assistance program, which is a counselling program. In reflecting, as I was preparing for this Committee, I thought, "What's the equivalent of counselling if you break someone's arm?" That's going to hospital. SafeWork told me that you can break people's arms; you just have to take them to hospital. That's what an EAP is. That is wrong. That is fundamentally wrong, and SafeWork let Macquarie off the hook because they said, "You can break people's arms; you just need to take them to hospital."

NICOLE MATTHEWS: I would add that I'm on the health and safety committee for the Faculty of Arts, and people are really scared to put in a WHS claim.

NICHOLAS HARRIGAN: You can't get them to.

NICOLE MATTHEWS: You can't.

NICHOLAS HARRIGAN: You cannot get anyone to put in a work health and safety claim around psychosocial health.

NICOLE MATTHEWS: For example, somebody who was so stressed—we've had two open days in a row where there were rapid changes in curriculum immediately beforehand. A couple of years ago they got rid of a lot of double degrees. I was in senate when student representatives were saying, "I can't believe this. It got changed just before open day. There I was, trying to represent my degree, and they got rid of it but they didn't even tell us." The following year we had a new curriculum approved the day before open day, and then staff were expected to go along on open day and represent the curriculum in a positive way to students. I believe there was somebody who got an unstoppable blood nose. It was in a low-level discipline chair or whatever position. They had an unstoppable blood nose and had to leave the day. It was simply because of the stress of managing this situation of fronting up to students. That person didn't put in a WHS.

The CHAIR: Didn't?

JUMANA BAYEH: No.

NICOLE MATTHEWS: There were people hospitalised for mental health difficulties who didn't put WHS claims in. There were people with physical problems and people with cardiac problems as a result of stress not putting in WHS claims. We spoke to the WHS people at Macquarie and said, "People are not realising that you can do this anonymously." They did change the interface so that it's now a little bit more visible that it is possible to put in WHS. But, honestly, a lot of people say, "It's not just me, but it's my program that would get cut if I put my head above the parapet. My subjects might get cut." If you make a fuss, your subject will go. People's loyalty to their colleagues, as well, is tested by this situation.

The Hon. ANTHONY D'ADAM: Do you have HSRs—health and safety representatives—or is it a committee structure?

NICOLE MATTHEWS: It's a committee structure at the moment. I've just been elected as an HSR, but I haven't had the training yet. But at the moment we don't have many HSRs in position. I don't think there are any in arts at the moment.

The Hon. ANTHONY D'ADAM: I wonder whether you'd be comfortable if the transcript from today was tendered in another inquiry on the operation of the work health and safety system. Are you happy for us to?

NICHOLAS HARRIGAN: Of course. That's fine.

JUMANA BAYEH: Yes.

NICOLE MATTHEWS: Yes, definitely.

NICHOLAS HARRIGAN: I say it fully aware, because I had to talk to multiple SafeWork people and, by the end of it, it was like they just wanted it to go away. People said they'd call back; they didn't. I can get you my phone records. I don't think they were bad, necessarily, but I do think it's a fundamental misreading of the legislation to say—which was said—"mostly the EAP". Mostly the EAP was how the university met its work health and safety requirements. One staff member went to that EAP, actually. If you want, I can get her testimony about it. The counsellor who was employed on the day everyone was sacked just went, "What am I supposed to say to these people? It's fundamentally unfair what is happening to you." You put a counsellor in a very difficult position to counsel people through a fundamental injustice. They just set up a room in some part of the university.

NICOLE MATTHEWS: One of the things I've noticed is that WHS folks are nice people and everything but, when we talked about some of the health consequences in the tier 3 meeting recently, the comment was, "You can't stop management doing stuff, can you? Managers still have to do stuff." There was an inevitability about everything. Things would inevitably be done in a certain way by certain people. There was nothing that could be done to change the process. I feel really frustrated by it because I think most people in academia are good kids. They've always done the right thing. They're the nerdy types. If you ask them to jump, they say, "How high? How high do you want me to jump?" They are mostly really kind of obliging, goody-two-shoes kind of people.

If you say, "We really need to develop a new program in this area or that area," a lot of us are also very curious. "Yes, that sounds great. Let's get on to that. We'd be into it." The idea that somehow it has to be a battle to get new stuff off the ground or to change the direction of the university just doesn't really reflect the way academics are. Most academic people are really keen to do new things, and if you did it in the right way, most people would probably say, "Oh, fantastic. Yes, you can set up a new program." They wouldn't be going, "No, no, no." It could be done differently.

NICHOLAS HARRIGAN: I would say as well that I went to Fair Work where we contested this and I went through SafeWork. The message that came from Fair Work was, roughly speaking, managerial prerogative: "They can do whatever they want." That was the message, and that's why I think the restructuring of who are the managers is fundamental. I've given you those quotes. I cannot believe I heard any of those three quotes. All of them were by people who—I don't recognise their humanity in the sense of I can't see how they could genuinely say that. I fed that quote "Why don't we go all the way?" into AI. You know what it said? It said it showed an appetite for suffering. "Why not go all the way" is taking a night quote and business-speak and showing an appetite for going all the way; it's cavalier. At SafeWork we had a good commissioner and so forth, but ultimately they just said managers have the right to manage, and SafeWork said the same thing: "Managers have the right to manage." If you want to destroy higher education in Australia, you can leave them in charge of managing.

The CHAIR: Thank you, Dr Harrigan. It's very useful.

The Hon. BOB NANVA: This is a reasonably quick question. It's probably more directed to you, Professor Matthews. If you can't answer it or are not comfortable answering it, that's completely understandable. One of the areas of interest for the Committee is to look at the governing structures and frameworks of universities, with a particular interest in university councils. I'm just interested, given your experience. Is there a culture of contestability on the council that you've experienced? Are reports and assumptions interrogated when it comes to things like workforce planning and strategic directions?

NICOLE MATTHEWS: I can't actually speak about that for two reasons. One is I'm very new—I've only been to one council meeting—and also I'm just not allowed to speak about what happens on council. I've signed confidentiality agreements about that. I can certainly speak to my experiences at the next level down, which is university senate. My observations there are that whilst there are some people who try to generate discussion contest around decision-making, the "atmosphere of fear" aspect makes it very difficult for people who are elected representatives to speak.

My personal view is that the way that certain matters are deemed operational is a way of preventing them from being discussed. Staffing, casualisation, facilities, staff-student ratios, those kinds of things and the discipline balance and things like that are seen as resourcing issues. We can't discuss them. I would say that because senate is not allowed to talk about those things—they're seen as management issues—that puts a lot of weight on council to interrogate those things.

Without disclosing what happens in council—I don't really fundamentally know that much about it yet anyway—if you have a look at the folks who are on council currently, I'm sure they're very experienced and knowledgeable people but there's not a lot of educational background in that context. There are not a lot of people there who know what it's like in a classroom, even the executive group to be honest. A lot of those folks haven't probably been in the classroom for quite a while. If I was to say, "What are the implications?"—I haven't been party to those discussions in council, and I wouldn't be allowed to report them if I was.

If someone presents you with a budget situation, and you don't know the difference between running a class with 25 students and running a class with 40 students, you might not think that's very important. If you don't know how long it takes to mark an assignment, you might not think it was unreasonable to give people 36 minutes per student per semester. My view is that it's very important that we have sufficient understanding of educational institutions—our public service institutions—in council. I don't know the details of how appointments get made, but I worry about tapping in general in organisations. In any organisation where someone is tapped to do a job, you go, "Why did they get tapped? What was the reason that that person was selected?"

The Hon. BOB NANVA: Is your concern that they would then have a sense of duty and fidelity to the person that tapped them?

NICOLE MATTHEWS: Maybe. I don't know how council works, and I don't know how contestable things are—I couldn't speak about that—but the issue is less, in my opinion, about fealty between people and the people that might be tapped than a sense of fit. Who are the right kind of people in an environment? A lot of the time there's a sense—with the induction to senate that I received, there was a great sense that it's very important to have harmonious relationships in the senate. The training I've just received from the Institute of Company Directors equally stressed that it's very important to have harmonious relationships, it's important to build those relationships and it's important to have positive relationships with management and those kinds of things.

With that kind of training that's offered by the university, which I'm grateful to have received, I think there's a sense that it's dangerous to have too much conflict in the lower level governance bodies. I don't know what's going on in council, but I think the general sense is that this is a business, and it's a business that needs to make a profit. It's a competitive business where our job is to compete with other institutions. That is an unquestioned assumption of the way universities are run, and that has all sorts of knock-on implications. I think in the world view that universities are just businesses, if it's just a business, then the cheaper you can make it, the better, right? I can't speak to that specific stuff, but I think the world view is important.

The CHAIR: I note that we have just gone a little over three o'clock, and we have kept you here for a long time, which we do very much appreciate. As you said, we know it is not without cost, what you do here, but also what you do at work every day as well. We appreciate that. There were some questions taken on notice, and we will probably have some supplementary questions. We will get those to you through the secretariat and let you know the deadlines for that.

(The witnesses withdrew.)

The Committee adjourned at 15:05.