

REPORT ON PROCEEDINGS BEFORE

STANDING COMMITTEE ON SOCIAL ISSUES

INQUIRY INTO NEW SOUTH WALES UNIVERSITY SECTOR

CORRECTED

At Macquarie Room, Parliament House, Sydney, on Monday 13 July 2026

The Committee met at 10:00.

PRESENT

The Hon. Dr Sarah Kaine (Chair)

The Hon. Anthony D'Adam
The Hon. Rachel Merton

PRESENT VIA VIDEOCONFERENCE

Ms Abigail Boyd
The Hon. Taylor Martin
The Hon. Sarah Mitchell (Deputy Chair)

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The CHAIR: Welcome to the eighth hearing of the Committee's inquiry into the New South Wales 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 please 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.

I also raise with concern that over the course of the inquiry to date, Committee members have heard from a number of inquiry participants that they fear reprisals from senior leaders of universities because of their evidence to the Committee. We have also heard that witnesses have been questioned by university leaders about their evidence. I remind all observers to this inquiry, including senior university managers, to be very mindful of the actions they take and the discussions they have in respect of oral or written evidence given to this Committee. Senior managers should also be mindful that even if they do not intend for their actions to be threatening, they may be perceived as such by inquiry participants given the very sensitive context in which the inquiry is being conducted. I thank you for taking these matters seriously.

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Professor TYRONE CARLIN, Vice-Chancellor, Southern Cross University, sworn and examined

The CHAIR: Welcome, Professor Carlin, and thank you for making time to give evidence. Would you like to make a short opening statement?

TYRONE CARLIN: No, it's fine.

The CHAIR: Straight to questions. I will begin. Professor Carlin, do you have KPIs in your role as vice-chancellor?

TYRONE CARLIN: Yes.

The CHAIR: What are they?

TYRONE CARLIN: It varies from year to year. Over the past several years, there have been two foundational matters that council has wanted me to be really attentive to. The first of those is safety as broadly defined and, secondly, the financial sustainability of the university. And then what happens each year is we find a series of focal points that are related to the agreed university strategy where there's a desire on the part of council for me to place a particular supervening focus, if you like. That might be student experience; it might be digital transformation. Those things tend to vary from year to year, but the constants have been anchored on this idea of working on safety systems, processes and culture, and the financials of the university so that we're sustainable.

The CHAIR: Could I ask that you provide the KPIs for the last three years on notice?

TYRONE CARLIN: Sure.

The CHAIR: We've got a shorter notice period because we're getting ready to conclude our report—just noting that for you. I presume that you must have reached your KPIs because I understand that you received a \$240,000 pay rise over three years. That's despite your being the smallest university in the State and, I understand, receiving just 1,263 applications out of the 280,000 people who want to study at a New South Wales university. How is it that none of those were considered in the KPIs before you received a \$240,000 pay rise?

TYRONE CARLIN: If I can just go backwards through that as best I can, when you've referred to the number of applicants, you might be referring to the number of first-preference applicants through one of the TACs, either UAC or QTAC. I don't have any quibble with the number you've quoted; I'll take it on its face. We have a different approach to admissions at the university. We don't dominantly admit candidates to the university through the TACs; we do mainly direct admissions to the university. There are a couple of reasons for that, but one of them has an equity basis to it, which is that, if you're an applicant to a university through a TAC, there's obviously an application fee associated with that; whereas, with direct applications to the university that we assess on essentially the same basis, that doesn't cost the applicant any money. You can apply to come to the university and seek a place in most of our programs both through UAC or QTAC, but mainly the admissions are direct, and those have been growing quite strongly.

The CHAIR: Could I maybe rephrase the question? You're the smallest university in New South Wales. You rank 634 in the QS rankings. You receive, I understand, between \$1.05 million and \$1.64 million—I don't know if that's with the new pay rise or without—as a salary. UNSW is ranked nineteenth in the QS and their VC doesn't get paid all that much more than you. I'm wondering how is that justified. What is the benchmarking that SCU undertakes in order to determine your salary? I might say also—I've done the comparison out of this year's annual reports—you have a very high number of executives paid above \$400,000, in fact only a few short of those very high ranking universities. Could you explain why that's the case?

TYRONE CARLIN: With respect to my own remuneration, you asked a question about process. Fundamentally, the people and culture committee of the university goes through a detailed benchmarking process. That involves looking at comparatives across a sample of—I think when they did the work last time—13 or 14 different universities. They take sector data from Mercer; they have a look at that in great detail. They discuss it and then they draw their own conclusions about what they think the compensation should be. The numbers that you see in the annual reports—again, they are what they are. They're helpful in one respect, in that they're all determined according to the same methodology, but there are a lot of moving parts under those numbers—for example, changes in leave accruals and things of this nature, as well as the cash—

The CHAIR: So you don't get paid over a million dollars. Is that what you're saying?

TYRONE CARLIN: My fixed salary is \$870,000. I think it works out as \$745,000.

The CHAIR: But your package is not over a million dollars.

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TYRONE CARLIN: No.

The CHAIR: So there's a discrepancy between all of the publicly reported—

TYRONE CARLIN: It's not a discrepancy. It just goes to the methodology of the difference between the way that a fixed salary package is defined in contract and the way that, for accounting purposes, the remuneration numbers are disclosed in the annual reports.

The CHAIR: But relatively speaking, as you've noted, all of the methodology will be the same. The relativity between you and, say, UNSW, that's ranked in the top 20 in the world, and you, who are ranked 634th in the world—that relativity remains. I wondered then if we could perhaps get the categories that you've just mentioned that people and culture benchmark against, on notice, as well. That would be helpful. I presume it's not people and culture that determine your salary, though, is it? It's a remuneration committee of council, I would have thought.

TYRONE CARLIN: The people and culture committee is the delegated committee that has that—

The CHAIR: Of council.

TYRONE CARLIN: Of council, yes.

The Hon. ANTHONY D'ADAM: Who's on that committee?

TYRONE CARLIN: The deputy chancellor, the chancellor and two other members. I can get you the details of who they are on notice, if you'd like.

The Hon. ANTHONY D'ADAM: Are they elected members of council?

TYRONE CARLIN: At the moment there aren't elected members on the people and culture committee. But there's no reason in principle, under the way that we run our council, why that couldn't be.

The Hon. ANTHONY D'ADAM: Have there ever been any elected members on that remuneration committee?

TYRONE CARLIN: Not on that one to this point. At the moment, we have elected members on our finance and investment committee and on our digital transformation committee. But there's no reason why an elected member couldn't serve, if they were interested in doing so, on the people and culture committee.

The CHAIR: Can I ask about another aspect of the annual report, which is consultant spend. We're having this ongoing discussion with various universities and vice-chancellors about the type of transparency it would be good to have in annual reports. You may or may not know that we made a recommendation in our interim report about consultancy disclosures. Your consultant spend seems to be an amalgamated figure over the past few years, but it's listed as over \$25 million. Can you talk us through, very briefly, that spend, please?

TYRONE CARLIN: You're correct. It's a creature, as I understand it, of the way that the Treasury guidelines are set up at the moment.

The CHAIR: It's discretionary. Some universities have, in the past, chosen to detail their consultant spend. I guess the question could be, once you've finished this question, if you could consider—are you prepared, regardless of whether Treasury guidelines change, to detail consultant spend in your next annual report?

TYRONE CARLIN: I suspect the whole sector will, because I think it'll—

The CHAIR: That's very optimistic.

TYRONE CARLIN: Dr Kaine, I think it doesn't harm us to have a little dose of optimism when we're thinking about these things. I wholly understand the tenor of your questions. Of that number that you've referred to, under a fairly broad definition of consulting, about \$3.2 million of that would have been consulting work for our university in the relevant period. You're right, there's a whole series of other—for example, when we pay our cloud service provider for hosting all of our servers, that's in that category. There are placement fees for students who go out on placements that are in that category. It's a long and detailed list. It's quite a small portion of that overall line item that I think you will have pulled out of note 8 of the annual report that is actually consulting, stricto sensu.

The CHAIR: You'd be able, then, fairly easily on notice, with a short time frame, to provide us the breakdown of what's consultant and what's contract service.

TYRONE CARLIN: For 2025?

The CHAIR: Yes.

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TYRONE CARLIN: I'm very confident we could do that.

The CHAIR: You're suggesting that the actual consultant, in the way that we've been talking about it—your KPMGs, your Deloittes et cetera—would be about \$3.2 million.

TYRONE CARLIN: We've not used big four consulting houses for—

The CHAIR: What about Bain and Company?

TYRONE CARLIN: No, we don't use Bain and Company. They're a bit out of our league, pricewise. We use consultants in the way that I've defined to help us where there are particular tasks that we just don't have the capability to undertake in house.

The CHAIR: Can I ask some questions on different topics now? Could we get, on notice, the list of honorary degree awardees for the past, let's say, 10 years?

TYRONE CARLIN: Sure. We'll make best endeavours to give you that.

The CHAIR: As many years as is easy to give us up to that 10 would be great. I want to ask a question, too, about your different campuses. We've asked this of different regional universities. How does the university reconcile its Gold Coast and metropolitan expansion with its statutory function of serving the North Coast of New South Wales?

TYRONE CARLIN: I know you're short on time, but it's a really good question, and it kind of goes to the heart of who we are. Let's start with the Gold Coast, because I think, without our presence in the northern Tweed-Gold Coast, there's every possibility that I probably wouldn't be here speaking with you today. It's our largest campus in terms of student enrolments and in terms of growth. It's an unusually located campus in that you can stand in that campus and you can put one foot in New South Wales and one foot in Queensland. It happens to be on the Queensland side of the border, but it's as close as you get in that jurisdiction to being in New South Wales. It dominantly serves New South Wales based students. About 60 per cent of the students who are at that campus come from New South Wales, and the remainder from the southern part of the Gold Coast.

Interestingly, when you have a look at the *Hansard* debates, which are really instructive, from the time that Southern Cross University was formed—as you'll recall, we split out of UNE at the time—there was a very explicit reference in those debates in *Hansard*, which may have carried over to the Act. But, if not, it's certainly there in the record of what parliamentary colleagues at the time were thinking about, which was that the remit of the institution was not to serve just Lismore but actually northern New South Wales and into south-east Queensland, which is really interesting.

The CHAIR: How do the metropolitan campuses fit into that?

TYRONE CARLIN: Metro campuses are—in our case, for two reasons. We operate—and have done for 30 years—something called the Hotel School, which is based now in Sydney, Melbourne, Brisbane, and also we've expanded into Perth. The reason that it's located in metro settings is because that's where the heart of the big international chain hotels is that provide the work experience for our students and ultimately recruit those students. What we've done is harness the existence of those campuses and then expanded those so that we're able to offer a broader array of courses in metropolitan markets. That's been good for us from the point of view of reach, presence and also the sustainability of the university.

The CHAIR: Has the university been doing that or has SCU Ventures been doing that?

TYRONE CARLIN: SCU Ventures is 100 per cent controlled and owned by the university so, in effect, although there is the separate legal persona, it's one and the same.

The CHAIR: Why is that? Why isn't it just the university doing it?

TYRONE CARLIN: It's an accident of history, in part. If you wind the clock back a few years, the Hotel School was operated literally in a legal partnership with Mulpha Australia, and we undertook an acquisition to buy them out. We also had a third-party arrangement with an organisation called EduCo, which effectively provided managed campus services. We acquired that, and the vehicle that we acquired is the vehicle that we've renamed SCU Ventures. Its job is to be the operating vehicle that, effectively, operates those campuses for the benefit of the university.

The CHAIR: Is that, in that answer, some kind of explanation for the transferring of the university's share of the hotel school to SCU in 2024? Why did that take place?

TYRONE CARLIN: SCU Ventures was the acquiring entity for the other party's interest in the hotel school and thus, in effect, bought the brand.

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The CHAIR: Bought the brand for nothing, though, because you gave it away.

TYRONE CARLIN: No. It was an acquisition transaction that was done at arm's length and according to a valuation. It wasn't a huge payment, but there was a—

The CHAIR: So what was that payment?

TYRONE CARLIN: I can't recall offhand, but it was not a huge amount of money.

The CHAIR: If you could provide that on notice, that would be helpful as well.

TYRONE CARLIN: Sure.

The CHAIR: I've got many, many more questions, but I know that my Committee colleagues have as well.

The Hon. SARAH MITCHELL: Thank you, Professor Carlin, for joining us today. I wanted to ask a couple of questions about governance, particularly the make-up of your university council. It's something that's come up with other universities. I'm keen to get an understanding of who's on it and what their expertise is, particularly that rural and regional approach, given that you have those campuses in Lismore and Coffs. Could you speak to that for us a little bit?

TYRONE CARLIN: Yes. Would it help you if I described to you the size of council and the composition of different membership types as a start?

The Hon. SARAH MITCHELL: That would be great.

TYRONE CARLIN: The university council has 14 members at the moment. Three of those are what you'd call official members. That's me, the chancellor and the chair of the academic board. From a regional perspective, our chair of academic board resides in Coffs Harbour, which is a really good thing for us. So it keeps us in touch with Coffs. We have two ministerially appointed members. One of those is a southern Gold Coast resident, which, as I was explaining to Dr Kaine before, is a really important point for us. The other is the former provost of the University of New South Wales, Professor Anne Simmons. She's there so that there's a strong university sector representation.

You've got four elected members of the council: two academics, one student and a professional staff member. They all live in the regions. We've got a couple of those in the Ballina-Lismore-Byron area, and then a couple from the Gold Coast. Then we've got five members of the council who are appointed by the council, pursuant to a selection process. Again, we've got a couple of those who are resident in the Northern Rivers. We feel as though we've got a good balance between people who reside out of the region and people who reside in the region. Then, as you would expect, there's a fairly broad mix of skills that are across that group, from higher education expertise, financial expertise, and broad commercial and business expertise, so it's quite a mixed and balanced group.

The Hon. SARAH MITCHELL: For that student representation, I think you mentioned there's one student representative. Again, we've had themes coming through when we've heard from students—not from your university, to be fair, but from others—about that student voice experience and how that's valued at the university. What sorts of mechanisms are there for that student engagement beyond just that one member of council?

TYRONE CARLIN: The first thing I'd say is that we've had some extraordinary student members of council and our chancellor is particularly welcoming—I'd say, more than welcoming, very purposeful about ensuring that that voice is there, ensuring that there's some mentorship so that they are comfortable being part of that scene. We've had undergraduate and postgraduate students who've been part of our council. They are elected, obviously, so it varies from time to time, depending on how the cycle goes.

The other thing that the chancellor has been incredibly committed to is hearing the student voice in other ways. That can be through doing walk-arounds on campus that occur before we have a council meeting. Those council meetings revolve across our regional campuses, so it gives council and the chancellor a good spread. But we also have a segment in our council meetings where we either invite a staff member or a student, respectively, to come and talk with council about their experiences and allow council to ask them any questions directly that they might wish to speak to. That's fairly unstructured and open. It's not a set piece. It just gives everyone an opportunity to hear something unmediated by me or, frankly, any of the other senior leaders.

The Hon. SARAH MITCHELL: I'll ask one more, Chair, on a slightly different but related topic, in terms of the impacts for the Lismore campus with some of the floods from a few years ago. I, as you know, was there a couple of years ago with you and visiting. I'm just wondering about any long-term broader financial impacts

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on the university's position because of that flooding incident, course offerings and things, and how the recovery is and where the university is up to in terms of that post-flood recovery piece.

TYRONE CARLIN: If you came back to Lismore today, you would be really pleased with what you saw. That's not the same thing as saying that we don't have profound challenges and that there hasn't been ongoing dislocation. But there's a really good vibe in the town. A lot of businesses have come back to the CBD. We've started to see modest student growth coming back to that Lismore campus, which, as you know, is practically our only full-service campus. One of the ironies of our university is that we've got a small parcel of land that effectively serves the vast and growing Tweed and southern Gold Coast. But, really, we can't provide pools, gyms, sporting facilities, and a whole range of those sorts of student and community amenities.

The campus is a real hub. As you know, post-flood, we gave over a parcel of land so that Richmond River high could effectively establish operations forthwith. They have been there ever since, although that school is being built. We've got Trinity Catholic College on campus, we've got Living School, we've got TAFE, and we've got health services. If you got a vibe when you were last with us of that campus opening itself up to the community as a real hub, we've really worked on that. The next part of that—and I express gratitude to the New South Wales Government for this—is the grant that we were successful in obtaining for putting an athletics track there.

That will be the only one of its kind between Tamworth and the upper Gold Coast. That will be huge for schools and athletics groups and whatever, because it's pretty hard to do athletics on the soggy ground that we get up in our parts when the rain has been pouring down. So it is coming back. We've got big ambitions for it. But because of the transport infrastructure and the way that the roads are set up these days, it's only really 50 or 55 minutes from anywhere in that domain up to the Gold Coast border region. That is a big drawcard for not all but many.

The Hon. TAYLOR MARTIN: Thank you, Vice-Chancellor, for making the time this morning for us. You may probably recall that two years ago the upper House held an inquiry into the veterinary workforce. I understand that your organisation at the time was quite keen to run with the baton on that. Are you able to give us an update on what your university has done in regards to the veterinary workforce?

TYRONE CARLIN: I recall that inquiry, and it was very interesting seeing what came out of that. We are very proud that last year we admitted our first cohort of veterinary technology students to the university and this year we've admitted our first cohort of veterinary medicine students to the university. We admitted 40 students. They came from our region. They came from all over Australia, actually, to join the program at Lismore. It's a really good story for Lismore. That's a five-year undergraduate program. It has some interesting aspects to it. We have a lot of students in that program who are specifically interested in large animal work, and that is deeply significant to us in terms of the needs of the agricultural industries that are around us.

It's very difficult to get specialised vets, particularly bovine and equine, in our parts. But it will look at small animal practice as well. The other thing that we're very interested in, because it's a biodiversity hotspot, is wildlife. Some of you might have seen when the Byron Bay Wildlife Hospital brought Matilda and went on a national tour. We worked closely with them because there is so many injured wildlife in our area, and it's a really great area of speciality. We won't have our first graduates for a few years, but we've begun. We have great facilities that we've invested in, and, as I said, it's drawing people into the region in a way that we hoped. The other thing is the profession has been extraordinarily supportive and welcoming of this. We're happy about it.

The Hon. TAYLOR MARTIN: I understand your university has a bit of a unique or interesting way of managing semesters, trimesters or something altogether different. Are you able to give us a bit of a precis on how your university has moved with regard to those issues?

TYRONE CARLIN: Sure. You're right. We had a very traditional semester academic model until three or four years ago. One of the issues that was really front of mind for us was we had really chronic difficulties with attrition of our students. When we look back to 2019 and 2020, we were consistently experiencing 35 per cent to 36 per cent first-year attrition. It didn't matter what we tried to do about that. That just seemed to be an intractable problem. Long story short and, again, given strictures of time here, we designed what we call the Southern Cross model, as you would. Effectively, it consists of six six-week teaching terms each year.

Without going too much into the theory that underpins the curriculum approach, it's basically built on two core ideas: One is we ask our students to focus on fewer things at any given time, and the second is the goalposts, because the teaching terms are quite short, are always within sight. We find that that is incredibly motivating and focusing for students. Our attrition is down to the early 20s now, and that has been hugely important for the university. But the other thing is—and it's a direct corollary—academic success, and that progress towards completion has really improved out of sight. We were looking at academic success rates in the

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high 60s. We're now in the high 80s, early 90s. Effectively, we've moved from an academic setting where three out of 10 attempts at a unit of study resulted in a failure of some sort. We got that closer to one out of 10, and that means more graduates for our regions. It has been a hard journey. It has been a lot of hard work—extraordinary on the part of so many. But it is different, and we really believe in it.

The CHAIR: Professor Carlin, I will ask further questions about this model. I have to say, as a former academic, I absolutely shudder at the thought of a six by six. The amount of admin required of your staff must be insane. You said that one of your KPIs was about safety and workplace safety, and I guess you're taking a broad definition of workplace health and safety. If we're talking about attrition, I understand that there are concerns from staff about the model. I wonder if you could tell me what kind of consultation was engaged in prior to the inception of the Southern Cross model and also what kind of ongoing feedback systems to ensure that staff—and also have you been measuring satisfaction rate, voice surveys, attrition rates with regard to the six-by-six model?

TYRONE CARLIN: It was a huge change for the university, and you're taking me back more than half a decade now, which is when we began this journey. There was a lot of conversation about this in many of our fora. When we went through the implementation journey, one of the most challenging debates was how we were going to take that traditional academic model, with all of the things that you refer to—you don't do that without a huge amount of work, and a lot of that work was administrative. If you think about the tempo of how you set yourself up, how you get all of your systems, this involved not just a huge amount of work from our academic staff, but a huge amount of work from our professional staff. In fact, they've really held this up. Everything had to be rewired. We had a huge debate about how we would do this, and we decided that we would introduce it on a faculty-by-faculty basis over time.

We started with a pilot group in SCU College and one or two other programs. We learnt some things from that, then we had a couple of additional faculties come into it. Then our last faculty that came into it was our health faculty, which, at the time, was our biggest faculty. Now, that gave us an opportunity to improve as we went. But it'd be crazy of me to pretend that there weren't some rocky moments as we went through that. For those students who had begun their studies at the university in the traditional model, I'd characterise it as saying about half of those students fell into the new model very happily and very quickly, and another half, it didn't really resonate with them. That was difficult for them and difficult for us.

What I hear around the place now—and I just get this feedback unsolicited—often when I'm walking around, I'll talk to colleagues, "How's it going? What are you up to? Are you teaching this term? Have you got some time for research?" and so on. We've tried to be purposeful to make sure that academics get at least two consecutive terms where they can just concentrate on their research. I have a lot of academics saying, "It's busy, it really is when we're in that teaching term, but we wouldn't have it any other way."

The CHAIR: The default now with this model for academics is not really the 40-40-20 that's the standard classic academic—really with this system, it's more a teaching 60 and the rest—

TYRONE CARLIN: No, they're not entangled constructs. The workload profiles for academics are defined in the enterprise agreement, and they obviously vary from agreement to agreement. We've never had a 40-40-20 set-up at Southern Cross University. If you're a balanced academic at our place under our enterprise agreement, I think it's 60-30-10.

The CHAIR: That's a balanced academic under your agreement?

TYRONE CARLIN: Correct, yes. That's defined under the enterprise agreement.

The CHAIR: Was that the enterprise agreement that had to be put through Fair Work because there was an issue with a non-union ballot last time?

TYRONE CARLIN: No, that has been a standard definition in every enterprise agreement that's existed at the university since I joined the university. It's not a new clause.

The CHAIR: Given that you're saying anecdotally, when you walk around, there's a sense that things are going quite well, you'd be happy to provide voice survey data on academic satisfaction for the past three years?

TYRONE CARLIN: Yes, absolutely. More than that, given your academic background, we have a rather extensive repository of scholarship of learning and teaching papers that are available on the Social Science Research Network that I'm also very happy to direct you to. One of the things that we've had a commitment to doing as we've gone through this journey is not just do the journey, but embed within the university a culture of improvement driven by our academic colleagues and driven by evidence. What we've done is then disseminated that evidence so that it's in the public domain.

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There is a global movement. It doesn't comprise a huge number of institutions, but there are institutions in the UK, there are institutions in the US, there are institutions in Canada, and there are institutions here that either have adopted what some people call a block model—we don't call it that, but you might remember that VU went down that path. There are at least two other institutions that we think are looking at something like this in Australia at the moment, so there is a growing group. We share our evidence with interested universities about what we've learnt along the way for their greater benefit as well. But it's also really good for our staff in terms of that process of gathering evidence, deliberating on it and using that to feed back into our teaching practice.

The CHAIR: I want to go back to council and the way council works. I think in your answer to a question on notice from budget estimates—it might have been me that asked it—SCU spends about \$190,000 on council expenses. I'm using UNSW as a benchmark here at the moment—we have them appearing shortly—who spend \$25,000 on council expenses. Do you pay members of council?

TYRONE CARLIN: No, we don't.

The CHAIR: What are those expenses then?

TYRONE CARLIN: I would be hazarding a guess. I'm happy to give you a guess, because I think it would be reasonably informed. It doesn't matter what happens with our council meetings. There will always be some council members who are obligated to travel to go to those meetings, because we revolve the council meetings across Coffs, Lismore and the Gold Coast. By definition, that will require people to be jumping on planes, trains, automobiles and so on. I would hazard a guess that that will explain a significant portion of that. When you think about the cycle of meetings across the year and the committee meetings, which we also have some of in person, I would say that's what is driving it. It's one of the realities of being in the region. We're remote. People have to get to places.

The CHAIR: It's just that I didn't see that from any other university. We've got other regional universities. I haven't seen that on any of the others. It's an interesting anomaly.

TYRONE CARLIN: I can't stipulate as to what their practices are in terms of the way that they do their meetings.

The CHAIR: SCU has a childcare offering. SCU Ventures actually targets international students for the graduate diploma of early childhood. I understand it's been actively promoted with international agents to get international students. I note that there were some concerns in the media—and I've had people contact me, actually—about the high volume of staff and the inability to get placements, and also the high volume of male staff when, often, childcare centres don't want to accept male staff. Also, the fact that these students have been fairly openly expressing the fact that they're not really interested in child care; they're interested in a path to residency. How are you appropriately and ethically managing those issues, which are, honestly, deeply concerning?

TYRONE CARLIN: I think you've asked me—

The CHAIR: Several questions.

TYRONE CARLIN: Possibly six or seven questions there. Bear with me, and I'll do my best. Firstly, I have not heard expressed to me by any of the students, many of whom I have met, anything other than a real interest in the program that they're undertaking.

The CHAIR: But you're the vice-chancellor.

TYRONE CARLIN: I am the vice-chancellor. I am a regional VC who you'll see in the corridor.

The CHAIR: Just your average bloke on a million bucks.

TYRONE CARLIN: To the extent that that is of place, that's certainly the way that we would like people to experience things, whether they're students or staff. We're really proud of this program. When we look at the feedback that we have in terms of course satisfaction, this particular cohort, in the last data that we've got from the national Student Experience Survey, is by some measure our most satisfied cohort of students, and they particularly love the placement dimension of the course. It's very practical; it's very hands-on. They are supervised. There is a lot of attention paid to making sure that they're prepared for that experience and that they're assessed thoroughly and well, and that they really enjoy it and learn from it. The academic success of this cohort, which I think is the best measure of anyone's real intent, is into the 90 per cent range. With respect to placements, we have been really proud of ensuring that all of our students are placed. At the moment, on average, we're managing to get those placements assured and locked away two to three weeks before a placement, with students notified and everything locked away.

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You referred to issues that we call turnaways. It is true that, from time to time, particularly in third quarter last year, there were instances where—wholly contrary to anything that had ever been expressed to us by the centres and wholly contrary to the law of the land, I might say, as regards anti-discrimination—centres, without notice to us, having known prior to the student turning up, did turn students away. And we formed the view that, on occasions, that was because they were men. That is far less in evidence today, I'm pleased to say. The university has a great group of academics in the early childhood space. We understand the acute issues that exist with respect to workforce. As you know—and I know this is something that you deeply appreciate—those are only more acute when we get into the regions. As I've testified previously, I think before estimates, we think it's a really high-quality program. We're very proud of it, and we've been engaged in offering this program for more than a decade.

The Hon. ANTHONY D'ADAM: In your answer about the remuneration committee, you mentioned that the deputy vice-chancellor sits on that committee?

TYRONE CARLIN: The deputy chancellor. The deputy chancellor is also the chair of that committee. It's one of his committee roles.

The Hon. ANTHONY D'ADAM: The deputy chancellor is an honorary position, is it?

TYRONE CARLIN: Yes.

The CHAIR: Thank you very much, Professor Carlin. We do appreciate you making the time to be down here today. I do note that I have asked you quite a number of things on notice, and that I've already forewarned that we have got quite a short period for those to be returned.

TYRONE CARLIN: Do you know what the notice period is?

The CHAIR: It's going to be seven days.

TYRONE CARLIN: We shall do our best.

The CHAIR: Thank you so much. We appreciate that.

(The witness withdrew.)

(Short adjournment)

Scientia Professor VLADO PERKOVIC, Provost, University of New South Wales, sworn and examined

The CHAIR: Thank you, Professor Perkovic, for being here today. Do you have a short opening statement?

VLADO PERKOVIC: Thank you for the opportunity to appear before you today. With your leave, I've prepared a short opening statement that I would like to read. UNSW has recently been recognised, as you noted, as Australia's number one university on the QS rankings and has been in the global top 20 for the last four years in a row. We're very proud of that achievement, but we also recognise that achieving and maintaining world-leading university status requires us to continually review and improve the way we deliver education and research. In that context, I note the Committee's interest in UNSW's calendar plans and transitions. The decision to introduce the current 3+ model was made as part of the university's 2025 strategy, launched in 2015. That strategy identified the careful development of a trimester academic year as a key initiative to strengthen educational excellence and improve campus utilisation. At that time, three academic calendar models were considered, with the 3+ model ultimately selected as the preferred option.

The model was intended to deliver a range of benefits, including providing students with greater flexibility and study-life balance across the year. It also enabled the university to make better use of campus facilities throughout the year, to increase teaching capacity to meet growing demand, and to better align UNSW with leading institutions in the Northern Hemisphere, which is an important consideration for our postgrad students and our academic researchers. The 3+ calendar was introduced in 2019 and delivered a number of its intended benefits.

It's important to note that currently about a dozen Australian universities including UNSW operate on a trimester academic calendar in some form. But universities operate in a constantly changing environment, and it's important to regularly assess whether our operating models continue to meet the needs of our students, our staff and the broader community. Since 2019 the higher education landscape has changed significantly. The profound impact of the COVID-19 pandemic, rapid advances in digital technology and the acceleration of widespread adoption of online learning, and evolving student expectations around personalised learning have fundamentally reshaped the way universities deliver education. So in 2023 UNSW undertook a comprehensive review of the 3+ calendar.

That review found that, while the model had delivered a number of positive outcomes, some of its original objectives had only been partially realised. The review identified several ongoing challenges associated with the compressed nature of the teaching periods, particularly in relation to student and staff wellbeing, and noted that other models may better address the future needs of students, given the broader societal changes. Against that backdrop and informed by extensive consultation with students, staff and the broader university community, UNSW has carefully considered the future of its academic calendar. These consultations demonstrated overall support for moving to what we call a "flex-semester" model, which is a further evolution of our academic calendar, grounded in the needs of our students and staff.

From 2028 the flex-semester calendar will provide greater flexibility to meet the needs of our increasingly diverse student community. It offers improved pace for learning, better supports student wellbeing, aligns more effectively with internships and work-integrated learning opportunities, and will also provide greater agility to support future educational innovation and lifelong learning, particularly for postgraduate students, to help deliver against the ambitious tertiary education goals of the Australian Government's accord. Ultimately, this decision reflects our commitment to listening to our community and ensuring that our academic calendar continues to support the best possible educational outcomes for our students, while positioning UNSW to remain one of the world's leading universities. I appreciate the opportunity to assist the Committee with its inquiry and look forward to the discussion.

The CHAIR: Thank you very much for that, Professor. If I could ask, you've just mentioned—what's the new name?

VLADO PERKOVIC: Flex-semester.

The CHAIR: Did consultants help come up with that or is that a purely council-derived term?

VLADO PERKOVIC: I think it might have been partly my idea, actually.

The CHAIR: Interestingly, the rationale for the flex-semester model seems to be very similar to the 2017 public case for the trimester model. That was improved wellbeing for students, facilitate internships, international opportunities and quality of teaching. It seems like it's the same thing, really. I note that you said

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you've recognised that there were some limitations, but do you now recognise that the trimesters were an operational failure?

VLADO PERKOVIC: No, I don't think that's a fair summary, and is certainly not what I said. I think that the trimesters clearly achieved a number of their goals. They allowed a 13 per cent increase in the utilisation of space across the faculty. They allowed students to adjust the pacing of their degrees to suit their needs at different times in the academic career. At any particular time, 20 per cent to 30 per cent of students took more than the standard eight units and a similar proportion took less than the standard eight units, which meant that students could adjust the speed of their degrees to suit their learning needs but also their life circumstances.

The CHAIR: But not enough that it's a model that's durable enough to last. That time has passed, has it?

VLADO PERKOVIC: Well, I think the world's changed. In the last decade since the current 3+ model was developed, we've seen the rapid evolution of online learning, the rapid uptake of online learning and increased demands for flexibility. That's a key element—embedded in the name, obviously—of our new flex-semester model.

The CHAIR: As I understand it, prior to the implementation of the trimester model there was feedback provided by staff and students—in fact, you might be able to characterise it as a warning by staff and students—that it probably wasn't a model that was going to be durable, supported or a long-term option. Was that taken into account?

VLADO PERKOVIC: With both the introduction of the 3+ model and with the flex-semester model, there's been extensive consultation undertaken with both students and with staff. I'd note that in the plans to introduce the 3+ model—again, I wasn't at the university at the time—I'm advised that there was a student survey with three options put up. The one that was most strongly supported was a three 10-week term model, similar to the one that was ultimately introduced, in a divided vote. I think that's a key message. There's no one answer that supports the needs of everyone in the university.

Even prior to the introduction of the current 3+ calendar, the Faculty of Medicine and Health at the university and the Australian graduate school of medicine were operating on a three-term structure. So there was already heterogeneity in terms of the operations of the university. I think it's inevitable in an organisation of the size, complexity and heterogeneity of the University of New South Wales that that would exist. So I think there were a range of different views expressed. It's absolutely true that there were concerns about the workload for staff and for students, and some of those concerns were certainly realised. Some of the reasons we're switching were recognition of the pressure on staff in a range of different areas of the university—some more than others. But, equally, I think it's important to say that even with the current move, there was a significant proportion of our community that opposed a move away from the 3+ model, because they found it offered them significant benefits.

The CHAIR: Do you think this could also be because—and you mentioned this in changes of workloads focus and whatnot. Do you think part of some staff reluctance might be because it's another impact and another change to manage, and, in fact, things like workspace and loss of offices and things that happened? So staff who are having to manage with the first change—with changing arrangements with workspace and hot-desking and other things—are now being required to again cede space and change their arrangements. They've been asked to absorb two initiatives by management. Maybe they just felt that they haven't been consulted and perhaps should be. Is the union involved in the consultation process?

VLADO PERKOVIC: Yes, the union has been involved in discussions. I've personally been meeting with the union representatives on a regular basis. We have, for example, recently involved them in some of the discussions around our education-focused staff, which are a key focus for us in terms of managing workload in the transition. Of course, with any transition, there are going to be additional workload issues that need to be addressed. We're very sensitive to those and have committed significant resources to making sure that they're managed and that staff have a manageable workload through that transition process.

But I think some of the reasons that people wanted to stay with the current model were different. For example, even amongst the elected members of council, we had a diversity of views expressed about the calendar models. One council member pointed out the benefits for some of our combined track staff of being able to have one term out of three to focus on research, as opposed to needing to teach throughout the year. That's just one example of some of the sorts of factors that are at play here. I don't think it can be expressed as simplistically as being entirely about workload. That's certainly one issue.

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The CHAIR: I'm presuming, as an organisation that is as well organised and well resourced as the University of New South Wales, you would have an idea of the costs associated with the move to trimesters and back again.

VLADO PERKOVIC: I wasn't around at the time that the move to trimesters was made. That was a decade ago now, and it was part of the broader S25 strategy. I'm sure those numbers are available somewhere. I don't have them at hand.

The CHAIR: If they are available and you can provide them on notice, that would be great. But you would then be across what the cost is going to be to move back?

VLADO PERKOVIC: Yes.

The CHAIR: Can you provide us with that?

VLADO PERKOVIC: Yes. In terms of the current move to the flex semester model, our budget estimates, including contingencies, suggest that the cost of moving would be in the order of \$66 million. That's about 0.1 per cent our budget for each of the next two years.

The CHAIR: Can I ask if there were external consultants involved in—and, again, I'm not suggesting that you were there—either the original move or the flex semester model move that's coming up? Have external consultants been engaged?

VLADO PERKOVIC: I understand that there were external consultants involved in developing the broader S25 strategy. I don't have the details of that available to me. I'd be happy to dig into that, if you wish.

The CHAIR: Yes, please.

VLADO PERKOVIC: In terms of the current move, we've used external consultants on two occasions. One was prior to making the decision about whether we would move or not. We engaged a consultancy—and the total fee was \$90,000—to ensure that we had considered all the relevant factors before making a decision. Then there was a second piece of work, just done a few months ago, to ensure that the move was set up for success, which was about \$60,000 worth of work.

The CHAIR: Which consultancy firms are they?

VLADO PERKOVIC: I can tell you that. I think Deloitte was one of them, and the other one was Scyne.

The CHAIR: Can I ask a question about Deloitte? Because you raised it, I'm going to take the opportunity. Deloitte were also engaged as your wage remediation specialists. Can I ask what happened? I had Deloitte here and I asked them this question. They were engaged, I think, back in 2020, from memory, when probably things started to first kick off for you in terms of the humongous wage remediation issue that you have. Yet there was an adverse finding after you had engaged Deloitte, saying that you still hadn't remediated in an appropriate way and set up systems. Why are you still using Deloitte?

VLADO PERKOVIC: I think the two issues are quite separate.

The CHAIR: You keep using Deloitte for wage remediation even after you still got done for more wage issues.

VLADO PERKOVIC: If I can just talk about the calendar-related issues, we went out and we got proposals from a number of consultancies. The Deloitte proposal was the one that was clearly the stand-out in terms of delivering what we needed. In terms of the wage remediation process, again, I don't have the details of those sorts of timings at hand at the moment, but I will note that that has been a huge program of work that has gone back and assessed, effectively, every payment that every casual, academic and professional staff member at our university has received over several years, and every way that we pay them, to ensure that anyone who was underpaid is repaid fully and to ensure that we set up proper systems to manage this going forward. That's not just an issue of turning on a new computer program, for example. That affects workflows across the university; it affects the culture. There's a huge training piece that comes with it. There was a wide array of activities that in a university the size of UNSW unfortunately takes a long time to implement. We've expressed our regret and, again, I apologise unreservedly to everyone who was underpaid during that process. But we're absolutely committed to making sure every staff member receives every dollar that they're owed.

The CHAIR: It seems to me to be kind of the perfect example of many of the issues that this inquiry has been investigating. It's the use of consultants that then results in another fail, because I understand that the Fair Work Commission actually said you were over-engineering the response to this and you just had to keep basically time sheets, and that had not come out in the first bit. There's that part of it. How does an organisation

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as sophisticated as a university of this scale and this ranking and this importance to the community oversee such a huge oversight?

I happen to be particularly passionate about this because I'm an IR academic. You have expertise within your staff who could have told you what it would take—for free—to fix the issue with your wages system or could have read your award or agreement for you to tell you. I appreciate the apology, and I accept that that's genuine, but what I can't understand is how this happened and how it doesn't represent a case in point of management failure and governance failure at one of our key public universities. How does it not represent a governance failure?

VLADO PERKOVIC: To speak to how something like this happens, it has been very clear to us that there was insufficient central oversight and management of the payments and the issues around that. There was a great focus on payroll-related issues but not on the relevant issues around record keeping et cetera, which have been proven critical. We've moved absolutely to address that. Your comment about the award—I accept we have absolute global experts in that area but, even over recent years, there have been different readings of how the award should be interpreted. Part of the problem that we've had is that the awards that have been implemented have been insufficiently clear and too open to interpretation, which has meant they have been interpreted in different ways. That's something we've sought to address with our last enterprise agreement. I think it's an important issue for us to continue to work with the unions on moving forward so we all have a clear understanding of exactly what we mean.

The CHAIR: Thank you. You mentioned in your opening statement—and I appreciate that you're addressing the trimester issue. Do you have readily available and could you share with us your assessments? Because you said there were some successes but you're still moving. Could you share with us your data on the evaluation of the trimester implementation?

VLADO PERKOVIC: Sure. I'm happy to do that. As I've mentioned already, there were a number of factors that were clearly successfully achieved. The flexibility for students is one I've already mentioned, with 20 per cent to 30 per cent of students either overloading, as we call it, and taking more than eight courses a year, or under-loading, and that proportion varying even amongst individual students, so they were able to pace their own degrees appropriately. The space available across the university was increased by 13 per cent by the move to trimesters, which helped to alleviate some really significant space pressures at the time, which are no longer as strong in the current context, even with substantially increased demand since that time, because online learning has helped to take some of the pressure off some of the space needs. But that remains obviously an important focus.

The CHAIR: I'm conscious that I have a million questions, but I am part of a Committee who will also, I'm sure, have a few questions for you, but I have two which are not related to each other. The first is—you may or may not be aware that one of the things we've been interested in has been the use of consultants by universities but also the reporting of consultancies by universities. Some universities, at various times, are better at reporting and some aren't. Some say, "Well, we don't have to report because the Treasurer's guidelines say we don't have to." You might not have it here, but could you give us an idea of how much in your part in the '24-'25 year was spent on consultants?

VLADO PERKOVIC: So, I am very aware of the issue and the interest and, equally, the challenge around reporting. I'd put it to you that it's not an issue of wanting or not wanting to report. It's the discrepancy between the Federal education requirements for reporting and the State education requirements for reporting. We'd welcome a clear and consistent approach and are happy to report either way. But at our university in 2025, the total spend on external consultants was \$8.7 million and approximately \$4 million of that, the largest single component, was around our estates management activities—consultants that provided specific expertise that wasn't available within the university.

The CHAIR: And was the rest basically Deloitte on wage—

VLADO PERKOVIC: I'd have to give you the details.

The CHAIR: You're saying that you're happy to report. Would you then commit to, regardless of what may happen with the guidelines, listing consultant spend separately in next year's annual report?

VLADO PERKOVIC: I think that's something the university would be very open to. Obviously, there's a process to go through before the university could commit to something like that, but, personally, I'd be happy to commit to pushing that through.

The CHAIR: You could have the global amount, then you could have a little asterisk saying how much were the consultants. I appreciate you taking that on notice.

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VLADO PERKOVIC: We'd welcome the consistency because, again, we're happy to report, but we've got different guidelines that are causing us challenges.

The CHAIR: I understand. I did not know that this was a thing until I was doing reading in preparation for this. Do universities that are seeking their progression up the rankings seek out Nobel Prize winners and pay them special amounts of money to come and be associated with the university? Is there a special hiring scheme around this?

VLADO PERKOVIC: There are schemes that universities use to grow the quality and strength of their research, and one of the key elements—

The CHAIR: That's another way I could have said it.

VLADO PERKOVIC: —is about the quality of researchers that are present at a university. All universities certainly seek to recruit high-performing researchers, not only because of the research they do, but because of the impact that that has on the broader ecosystem.

The CHAIR: Sure. You want to work with the best, of course.

VLADO PERKOVIC: Absolutely, the lifting of all boats that occurs. The university in the past, as part of its 2025 strategy, had a specific program called the SHARP program, which was designed to attract not necessarily Nobel laureates, but certainly high-performing researchers who were interested in relocating. We're currently in the process of recruiting some what we're calling Green Fellows, which are named after Martin Green, a solar pioneer based at UNSW, and we are looking to provide two years of funding to people who are interested in coming and spending time at UNSW. Again, we want our researchers but also our students to have exposure to the best in the world when it comes to—

The CHAIR: I appreciate that. So those SHARP hires, there was a separate fund for that? Can you provide on notice the global amount of the fund? I don't need it to be identified to individual professors, but the breakdown of what was spent on the attraction of those SHARP hires over the course of that program.

VLADO PERKOVIC: I am happy to have a look at that.

The Hon. ANTHONY D'ADAM: Can I ask how that impacts the rankings?

VLADO PERKOVIC: Research and reputation are critical parts of rankings. It's not just about rankings. Rankings are one element, but it's about the experience that our students have and their exposure to global leaders in their fields. It's also about the experience that our staff have and their ability to learn from people who are experts in their—

The Hon. ANTHONY D'ADAM: But does it affect the rankings?

The CHAIR: Yes.

VLADO PERKOVIC: Yes.

The Hon. ANTHONY D'ADAM: Can you explain how it does?

VLADO PERKOVIC: Each of the rankings does it in a slightly different way, but some of the factors that are relevant are, for example, global reputation.

The Hon. ANTHONY D'ADAM: How is that measured?

VLADO PERKOVIC: Surveys conducted different ways by different rankings. I'm not an expert in rankings, so I'm probably the wrong person to ask about the details.

The Hon. ANTHONY D'ADAM: Do you have someone in the executive whose job it is to focus on the university's rankings?

The CHAIR: Game the rankings.

VLADO PERKOVIC: It's an area that the university is certainly cognisant of. We focus very much on our research quality. Rankings are one way of measuring that, but they're not the only way. It's certainly one of the things that we measure in our research—

The Hon. ANTHONY D'ADAM: It's pretty important in the sense that where you are positioned in the ranking helps you attract international students.

VLADO PERKOVIC: And domestic students.

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The Hon. ANTHONY D'ADAM: That contributes to the revenue stream of the university. It is actually pretty important, I would have thought, in light of the way the system operates. Having a clear internal strategy about that would be a pretty high priority for the leadership.

VLADO PERKOVIC: It's certainly an important element of our broader research strategy.

The Hon. ANTHONY D'ADAM: I ask my question again: Do you have a specific person, team—

The CHAIR: Or a strategy.

The Hon. ANTHONY D'ADAM: —or strategy that focuses on that?

VLADO PERKOVIC: That sits within our division of research, headed by the deputy vice-chancellor, research. They assess and manage various measures of our research impact, including rankings as one of those, absolutely.

The Hon. RACHEL MERTON: In terms of governance—I'm making reference to your submission's "About UNSW", on the final page—you talk about the university council, academic board, university committees and faculty board and committees. I'm just wondering what the make-up is, if you could just remind me, of the university council in terms of appointed versus elected members.

VLADO PERKOVIC: I'm happy to do that. Our university council has up to 15 members. Three of those are ex officio. The chancellor, the vice-chancellor and the chair of the academic board serve on the council ex officio. We have five elected members—two elected academics, one elected professional staff member, one postgraduate student and one undergraduate student—who each serve a term of two years. We have two ministerial appointees, and then we have five members that are appointed by council.

The Hon. RACHEL MERTON: In terms of the council of 15 members, is that five of the 15 that are elected?

VLADO PERKOVIC: That's correct.

The Hon. RACHEL MERTON: So a minority are elected.

VLADO PERKOVIC: Correct.

The Hon. RACHEL MERTON: The student ones, both the postgraduate and undergraduate, they're appointed.

VLADO PERKOVIC: They're elected.

The Hon. RACHEL MERTON: They fit within the five?

VLADO PERKOVIC: Yes.

The Hon. RACHEL MERTON: I'm just wondering what the university might stand in terms of international students. We're looking at the revenue breakdown of what the international student cohort is bringing to the university and possibly enrolment numbers between domestic and international students.

VLADO PERKOVIC: I'm happy to provide those numbers in detail on notice. I don't want to misspeak here. Approximately 45 per cent of our student cohort is international students, overall. They tend to be more heavily represented in the postgraduate rather than the undergraduate cohort. I'm very happy to provide additional details in terms of the revenue. Again, I wouldn't have those numbers at hand, but I'm happy to provide them.

The Hon. RACHEL MERTON: In terms of the financial sustainability of that, given the 45 per cent of international students and the revenue that may be attached to that, what's the university's response to that?

VLADO PERKOVIC: Certainly the international students are a really important part of our community, both in terms of the diversity that they bring, and the connections and the soft power that come with that, and also the financial elements. As you point out, they are an important contributor to the financial health of our university and, frankly, help underwrite the education of our undergraduate students in many of our degrees where the Commonwealth-provided funding, even with the student contributions, doesn't cover the costs. They're really important to the university.

We're in a relatively fortunate position compared with some of our colleague universities, because we are very strongly in demand for international students. That's a very strong thing. We also want to manage the experience for both our staff and our students. We watch this very carefully. We are concerned about the reductions in demand for international students moving forward. It's important to note also that there are currently no schemes to support infrastructure development—buildings, et cetera—on universities. Most of UNSW's buildings were built in the 1960s and need substantial updating to make them fit for purpose for the future. Again,

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the international student cohort that we have provides important both strategic and experiential but also financial contributions to the university, to help us meet all of those needs collectively.

The Hon. RACHEL MERTON: How do you balance meeting the different student cohort in terms of a public university, taxpayer money and Australian students, versus trying to manage the financial arrangements of the foreign students and the revenue that that generates?

VLADO PERKOVIC: We certainly prioritise all of our students and their experience. Indeed, we think that having international students in the programs actually provides for a better and more sophisticated experience for our domestic students as well. That's something that's often lost in the commentary on this topic. We do try and manage these very carefully. For example, we don't want more than one-third of our undergraduate student cohort to be international students. We manage that actively and carefully because we think they're the group that are particularly sensitive to those proportions. But we very much try and focus in on the needs of the students themselves, both our domestic cohort as well as those coming internationally, to make sure that we're providing the best experience for them that we can.

The Hon. RACHEL MERTON: If you maybe just reaffirm, in terms of the undergraduate cohort, it was one-third foreign students?

VLADO PERKOVIC: We make sure the proportion doesn't go above one-third.

The Hon. ANTHONY D'ADAM: Of which 78 per cent or 77 per cent are from China. Is that correct?

VLADO PERKOVIC: I'd have to check the specific proportions. There is a significant proportion of our international students from China. When the numbers of Chinese students are reported, it does need to be taken with some caution, because it often includes students of Chinese origin who have, for example, gone to high school in Australia or students of Chinese origin who've come from countries like Singapore or Malaysia or other parts of the region. That needs to be broken out specifically, but we can provide you those details.

The Hon. ANTHONY D'ADAM: This was identified as a point of risk by the Auditor-General.

VLADO PERKOVIC: It's definitely a point of risk, I think, for the country.

The Hon. ANTHONY D'ADAM: What is the university doing to address the risk?

VLADO PERKOVIC: We're undertaking a range of activities. Like everybody else, we're trying to diversify our student cohort by increasing the proportion of students from other countries, both across our region but also other parts of the world—for our international student cohort, that is. We're also planning carefully for how we might respond to any future downturn in the number of students from that region.

The Hon. ANTHONY D'ADAM: That China number, though, has been consistent for a couple of years, so your efforts don't seem to be making much of a dent in terms of diversification.

VLADO PERKOVIC: In our specific case, over the last couple of years, we have had a boost in demand related to our rankings. Reaching the top 20 in the QS rankings certainly made a big difference to the number of Chinese students who are interested. We turned away vast numbers of students, actually, over the last few years. But, moving forward, we are very much focused on those. Unfortunately, some of the government initiatives—for example, the increase in visa fees—have particularly affected some of the countries where we've been trying to diversify, including India and other countries in the Asian region that are much more sensitive to those costs, whereas students from China can bear those costs more comfortably. Some of the other initiatives, unfortunately, that have been introduced at a national level have had the unintended effect of concentrating our exposure to the Chinese market further.

The CHAIR: Can I ask a follow-on from that. Does that mean you've changed your engagement with or strategy about international student agents? If you've got this excess demand from a particular area, have you reduced the spend on international agents? You're now in the top 20. Is that something that you're looking at doing—changing the profile of the agents and how much you spend on advertising? I think you were one of the highest spenders, from recollection, on marketing yourself. Given that you have this excess demand in markets that you're not necessarily trying to target, is council actively reconsidering those approaches?

VLADO PERKOVIC: We've been reviewing our strategy with regard to agents and with regard to marketing more broadly on a regular basis, and have made a number of changes over the last few years. I couldn't tell you what they were off the top of my head, but certainly we've responded to that extra demand. We cancelled a number of offers about 12 months ago, which was the first time any Australian university had done that, because the demand at that point was so strong. Unfortunately, since that time, with the rhetoric in the national dialogue, we have seen demand dropping off across the board, including at our university.

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The Hon. ANTHONY D'ADAM: Are you saying that the One Nation phenomenon is affecting student numbers?

VLADO PERKOVIC: I think the conversation calling international students a problem from a migration point of view has had an impact on the way Australia is perceived as a destination for international students.

The CHAIR: Interesting. Can I take you back now to the wage remediation issue—I'm sure you don't want me to call it wage theft. Do you have a global amount for how much UNSW has paid on all the external advice for wage remediation, payroll review and compliance work? Do you have a global figure for that?

VLADO PERKOVIC: I don't have that at hand, but we can get that for you.

The CHAIR: That would be helpful. One of the things that we've noticed across this inquiry is that a lot of people across the State—I'm not suggesting it's UNSW specific—have been in touch about concerns about raising issues within their own universities and how worker voice is treated within universities. What do you do at UNSW to protect staff who raise governance or other concerns?

VLADO PERKOVIC: We've got a range of different approaches that we're taking to make sure that our staff are protected. We want them to speak up. As well as the traditional surveys, we've had the voice-type surveys that you alluded to earlier today that we run on a regular basis. We've had a SpeakUp campaign over the last year or two. We've reviewed and refined our processes for managing complaints or concerns raised by staff or students or external members of the community, and we're continually trying to refine those further. We've also engaged an external provider so that people can speak to an independent party where required. We do want to hear the voice of our staff and students, and I'd argue that we have responded to that very carefully in really many of the decisions that we've made. The academic calendar one's a very good example of that. But it is something that needs to be an ongoing focus and that we're very much committed to.

The CHAIR: A related question—again, thinking about answers I've had from other universities, are the people who constitute your council encouraged to engage with staff and students to inform themselves about the running of the university?

VLADO PERKOVIC: I can only speak to the experiences that I've had in sitting in council meetings—more detail, I would have to take on notice. Certainly I've heard those sorts of statements made. I've also seen the council do site visits around different parts of the university and go and talk to staff and students as part of their activities, and individual council members attending various functions and engaging directly with staff and students to hear from them about their experience. So I do believe that they're doing that, but I don't know what the specific approach has been defined as.

The CHAIR: If it's possible. Again, I do know that we've given a very compressed time frame, but if there is a position statement or a role description that council members are given—because I know at the University of Sydney, one of the concerns I had was their position description says to get your information from management or council. I want to know if that's a normal thing or whether there are other approaches.

VLADO PERKOVIC: I will note that our council meetings are actually open to any member of staff or student who wishes to attend them, or other people by invitation, obviously for non-confidential items only. Any member of the university community can choose to attend a council meeting if they wish.

The CHAIR: That's good to know. Do you publish the minutes?

VLADO PERKOVIC: I'd have to check that. I'll take that on notice.

The CHAIR: That would be helpful as well. I just wanted to go back. I knew that I had an example here, but I fluffed the question a bit at the beginning, I'm afraid. In the flex-semesters, I understand that in some faculties, including particularly arts and law, they're being asked to move to hot-desking or give up offices as part of the implementation of the flex-semesters. Is this replicated across faculties or is the burden being borne by a few faculties?

VLADO PERKOVIC: No, I don't think that's actually an accurate linking. We've seen dramatic growth in student numbers in both the Faculty of Law and Justice and the Faculty of Arts, Design and Architecture over recent years, which is, again, a testament to their strength and their success. We've also developed university-wide policies with regards to how we use space and wanting to make sure that we use public facilities in an appropriate, efficient and effective way. We've undertaken reviews in various parts of the university that have noted, for example, that some of the offices and workspaces are only used two days a week on average.

We think that we can be more efficient and more effective in terms of the way we use our space. Those space principles have now been implemented, for example, in our new Health Translation Hub building, which is

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a pan-faculty building but predominantly used by the Faculty of Medicine and Health, and have been welcomed by the majority of staff in that faculty, despite initial substantial concerns before the move was made. But the broader improvement in amenity and the specific focus on work approaches and workflows has actually been welcomed by the majority of staff, despite the fact that the total number of offices is less than what people are used to.

There's consultation ongoing with both of those faculties at the moment, which is not complete, about what the final structure of the refurbishment to both of their buildings which is currently what's being planned will look like. In both cases, we're not talking about hot-desking for all staff. We're talking about a more focused and efficient use of offices, potentially with a reduced number, but also flexible workspaces that better meet the needs of modern workers. I'd also note our flexible working policy, which, again, is a staff-focused initiative that encourages people to do their work in the environment that best suits them. As a university, we're absolutely committed to providing facilities to all of our staff that allow them to work in the best way possible, and equally to doing that in a consistent way across the university.

The CHAIR: Thank you for that. I appreciate it. When did you take on the role as provost?

VLADO PERKOVIC: In 2023.

The CHAIR: So post-COVID?

VLADO PERKOVIC: Yes.

The CHAIR: You know how you mentioned with the implementation of the trimesters and also with the SHARP program that that was part of—again, all of these markety-type names of things elude me, but whatever the strategy to 2025 was—

VLADO PERKOVIC: That's what it's called.

The CHAIR: It was just strategy 2025?

VLADO PERKOVIC: Yes.

The CHAIR: That's helpful. Thank you. Is there a strategy 2030 or to 2035 then?

VLADO PERKOVIC: Absolutely. Our new strategy is called Progress for All.

The CHAIR: I knew there would be a markety name. When is that due?

VLADO PERKOVIC: That's been launched. That was launched at the beginning of last year and it is currently being implemented.

The CHAIR: So it was launched at the end of last year?

VLADO PERKOVIC: The beginning of last year. The prior strategy ran to 2025, so we undertook a broader community consultation process for developing this strategy.

The CHAIR: The clue is in that name, but I'm not getting the clue in the name of this one. So it runs from the beginning of last year until progress is achieved?

VLADO PERKOVIC: It's a decadal strategy again, so it's focused on the next decade.

The CHAIR: So it is a decade strategy. And I presume that's a publicly available document?

VLADO PERKOVIC: Absolutely. I'd be happy to share it.

The CHAIR: Great. I've reached the end of my questions, as have my fellow Committee members. Thank you very much for appearing today, Professor Perkovic. We do appreciate it. We also appreciate that we have condensed the time frame for answering questions, so your best efforts would be appreciated.

VLADO PERKOVIC: I will certainly be happy to provide additional information, as you've requested.

The CHAIR: Thank you so much.

(The witness withdrew.)

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Professor BEN GOLDER, Faculty of Law and Justice, University of New South Wales, and National Tertiary Education Union UNSW Branch Representative, affirmed and examined

Dr ANNE BARNES, Faculty of Medicine and Health (Professional Staff), University of New South Wales, and National Tertiary Education Union UNSW Branch Representative, affirmed and examined

Dr SARAH GREGSON, Casual Academic, UNSW Business School, and Former National Tertiary Education Union Branch President, affirmed and examined

The CHAIR: Thank you all for agreeing to be here and give evidence this morning. Would you like to begin by making an opening statement?

BEN GOLDER: I would—just me. I'll be short. I thank the Committee for the opportunity to attend today to give evidence at this inquiry into the university sector. I'm a law professor at the University of New South Wales, where I have worked continuously for the last 17 years. Universities have a very simple but important mandate: We exist to serve the public good through high-quality teaching and research. We educate the next generation, training them to be critical and reflective thinkers in the world by imparting the knowledge we have ourselves gained through research and scholarship.

But, for decades, universities have been run by managers out of step with the expectations of the community, treating students as the kind of annoying customers who are never right, and their own staff, who are treated as expendable. University management today is characterised by a deep lack of transparency and accountability, and a very strong belief that the views of staff and students are of little to no account. Instead, they outsource their institutional responsibility to maintain the university to professional managerial consultants at great expense—literal and figurative—to the public university.

Emblematic of this managerial approach is the recent set of decisions taken by university management at UNSW: first, to institute a deeply unpopular move to a three-term academic calendar—the trimester—and then to continue with it in the face of widespread and compelling evidence of staff overwork and escalating levels of student stress and anxiety, and, finally, to revisit their decision and return to a version of the previous calendar, a cost borne yet again by demoralised and chronically overworked staff. The shift to the trimester, which launched in 2019, was instituted by former Vice-Chancellor Professor Ian Jacobs.

In the lead-up to the decision, both staff and students were "consulted" and shared their almost unanimous views that this was a disastrous idea that would undermine educational standards and place unreasonable demands on students and professional and academic staff for no discernible pedagogic benefit. The university went ahead anyway. Every single outcome we had not only predicted but repeatedly warned university management about came to pass. Student experience plummeted, the university's reputation suffered, and staff were placed under ever greater conditions of stress and overwork. UNSW staff are now yet again redesigning our courses to fit a new calendar.

I share this depressing, circular story, which has many more dimensions to it which I'm happy to expand on for the Committee, because it encapsulates so many of the systemic structural governance problems of the contemporary university. The trimester debacle was—is—a story about an unaccountable university management making decisions based on profit seeking, not research and teaching, guided not by the views of their own staff and students but by expensive management consultants pursuing their private interests, not the values of the public university. This is why I welcome the current inquiry's attention to the views of staff employed in the sector and the opportunity to share some of our experiences.

The CHAIR: One comment: For the benefit of Hansard, "consulted" was in air quotes, but it doesn't translate to Hansard. I'm just going to put that on the record for you.

BEN GOLDER: Correct, and I'm happy to give a copy of this if you would like. It was very much in air quotes.

The CHAIR: I noticed that you were in the gallery when the provost was giving his evidence. I wondered if I might just open by asking for any initial response to the evidence you've just heard from the provost.

SARAH GREGSON: We could maybe start with the consultation. I couldn't hear a lot of what he was saying; he was very quiet. But when he said that there was extensive consultation with staff and students, the air quotes are very applicable. I remember going to a large lecture theatre where there was staff from all over the university, and Merlin Crossley was consulting with staff over the trimester series. There was no capacity for people to speak as in a forum like this, but we were asked to put our questions on an app that then came up on the screen. I remember distinctly as union branch president, as I was at the time, I put a particularly—I don't remember

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what it was—prickly one. He answered the question before mine and then he skipped to the question after mine, and people were calling out from the theatre, "Answer the question, answer the question," and he just refused to do it. That was the tenor of consultation. They didn't really want input; they just wanted to do the dress show.

BEN GOLDER: I'll just add a little bit to that. You're right, we were here listening to the provost, Professor Perkovic. With all due respect to him, I have a very different account of what he describes as the careful process that led up to the implementation of the trimester system. It was not done with care. There was, in my view—and the view of pretty much all of the colleagues, academic and professional staff at the time—a process of sham consultation where our views were really not taken into account. In the lead-up to the trimester, academic staff, professional staff and students all expressed the strong view that this move was likely to be disastrous. It was going to place students under incredible stress, trying to condense the same amount of "content" into a much shorter learning time, giving us as academics a much more difficult task to try to convey complex material to them and then to mark, and then for my colleagues to process the marks between terms.

You can hear even in the way I'm describing it the condensing of the learning experience for students. Anybody could tell them. We told them repeatedly before they made the decision that this was likely to be a disastrous experiment, and so it has proved. I would contest the account that it was a careful process. I'd also contest that it was—and I think I'm remembering Professor Perkovic's evidence correctly—one based around educational excellence. Again, it very much seemed to be the case to us that it was driven by campus space utilisation and the university's desire to make more money.

ANNE BARNES: I'll talk from a professional staff perspective. When they started rolling out Excellence 2025, the vice-chancellor at the time, Ian Jacobs, came to talk at the School of Optometry and Vision Science, where I was working at the time, and I brought up how some of the changes were being implemented. One of them was that the first staff in science—when the changes were happening, the first time they heard that they were losing their jobs was at a town hall and their names were called out. This colleague lost her job and then she was told that she could apply for a job that was similar to hers under the new centralisation. It was at a lower level, so she'd gone from a five to a four. The argument was that, for professional staff, they were trying to make sure that it was equitable across the university so one person who was on a four wasn't doing higher duties at another faculty. But what I have found when I look now is that there are still massive discrepancies. Where I sit, those positions that were six now have become sevens. If I was to apply for a job doing a similar workload, it would be at a seven.

The other thing that came up during that talk with Ian Jacobs, when we were talking about the amount of work or the retracting staff and the amount of work those who were left were going to have to take on—for instance, I went on to do my position and another position. She got laid off, so I had her position. It was my responsibility to make that work, so I had to create my job—which I had to apply for in a three-quarters-of-an-hour interview. One of the things he said about if we weren't happy is if we weren't prepared to fit in with the culture—the new culture going forward—we could leave. Actually, he didn't say we could—"Those staff who don't feel that they can move into the movement going forward that we're creating can leave."

The CHAIR: How does that experience of the move to trimesters contrast now? Is it more organised now or less organised now with the move? I presume it's back to a fairly semester-based model. Even if they're calling it "flexiness", I presume it's a move back to a more standard semester model.

SARAH GREGSON: We don't say "back".

The CHAIR: A move towards, progress towards the next model. How has that been managed? Has there been consultation? Is it different to last time? Are there similar issues? What's that been like?

SARAH GREGSON: I don't know.

BEN GOLDER: I can speak a little bit to that. Again, responding to some of the evidence that you heard from Professor Perkovic in the previous session, I would agree with him on this occasion that the university has consulted more widely, more deeply and more seriously about, again, I would say, reversing its decision to move to the trimester and going back. I appreciate we're not supposed to talk in these terms—the movement towards a flex semester has been managed in a more consultative way, where schools and faculties were engaged a little more. Again, I would say that there was a very low bar for consultation the first time around, but it has been run in a more orderly fashion. Again, in the view of many of my colleagues, it's a much more workable system that we are moving towards, yet it still requires us to perform a lot of extra work to get there.

I note that in some of the comments that you made to Professor Perkovic, it also means that there are ongoing costs. For example, I work at the Faculty of Law and Justice. I'm in one of those faculties where not only are we at the beginning of having to redesign our courses to go into this new old model of the flex semester, but we're doing that in a building that is being refurbished. We're uncertain at the moment whether we're going to be

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in shared offices or going to be working in open plan situations. There's a lot of uncertainty around our work conditions at exactly the time that that work is going to be intensified, to get us back to something like we were doing in 2015-16. So it's an experience of exhaustion from staff at university—exhaustion and uncertainty. We quite literally don't know the offices that we're going to be working in. We've been told that one of the costs involved in moving to the flex semester calendar from 2028 is that there simply isn't enough space on campus. That has placed pressure on us and on our building. We need more room to put classrooms in to teach students, and so staff are being shifted into different working arrangements et cetera. We're at a moment of uncertainty and exhaustion.

The CHAIR: The WHS implications of management decisions has been a recurring theme of this inquiry. It's one thing to just go to work and do your job; it's another thing when you have to absorb the decision-making that creates this kind of environment. I think Professor Perkovic said \$66-odd million is the cost of moving to the non-trimester system, and a part of that has to be the physical layout of the university campus.

BEN GOLDER: Yes, I imagine so. I don't want to mislead the Committee—that's not something that I've got personal knowledge of, but I would imagine so, yes.

The CHAIR: Any reflections, Dr Barnes or Dr Gregson, on this move?

SARAH GREGSON: On this what, sorry?

The CHAIR: On this move to the non-trimester—

SARAH GREGSON: I retired in 2024, so I'm massively out of it.

The CHAIR: So it won't affect you as a casual?

SARAH GREGSON: It will have some effect, but I'll be responding to others rather than leading it myself.

ANNE BARNES: I think it's more of a frustration when you have this sort of feudal system. It feels like a feudal system—the emails that were rolled out and the marketing teams who started to create the nature and the flavour of the emails that were first rolled out. The frustration is really that all this money was put into creating a system that was broken right from the beginning. They were told it was broken and it was still going to go ahead. It's very difficult. When I'm out in the world in my academic role at the university of New York and I'm talking to colleagues, it's embarrassing because, when you say that you're at UNSW, there's a kind of "Oh, so you're there," and they just understand. That's embarrassing.

It is a feudal system when they're saying they're consulting but they're not listening. For instance, the provost talked about how successful it has been at the Health Translation Hub. I work in the Health Translation Hub. I haven't met one person there who likes working in the Health Translation Hub, so I don't know where that data is coming from. Maybe it's the way that they put the questions. The work I do is confidential, but anyone can sit anywhere. For me, there's also a lack of even taking into consideration those who do this work and how we're supposed to do it. There doesn't seem to be—

The CHAIR: I understood about the hot-desking and the open plan offices. When I was at UTS there was discussion of this, and the concern was that a lot of us have ethics conditions that our research is bound by, including confidentiality. It starts to be very difficult when you're in open spaces to have even conversations, let alone interviews or anything else, like data collection, in that kind of space. That is a concern. One of the other questions that I was asking the provost—and the scale of it is intriguing and disturbing at UNSW—is, of course, the wage theft issue. What has the experience been like for staff on the other side? How have they been advised? Have people had to do their own work to show what they've been owed? Has that been difficult to prove? And maybe just your assessment on how this—I still can't get my head around how this happened and continued to happen once it was identified. I cannot. It's mystifying to me. There's several questions in there. Take your pick.

SARAH GREGSON: I'm probably the best person to answer this because, prior to the wage theft being announced, myself and the NTEU industrial officer Jeane Wells had taken a number of individual cases to the then industrial relations manager, Doug Nairn. We had said to him that it was a systemic problem, and he would just say, "No, bring me the individuals and I'll fix those individual situations." The one that was most disturbing was in engineering, where they had a time sheet that casuals would fill out, and it didn't have a line item for tutorial on it. It would have a line item for demonstrations but no tutorials.

Even though classes were advertised tutorials and students certainly thought they were attending a tutorial, the staff were paid as demonstrators, which is a third of the tutorial rate. My recollection of the process is somewhat different to the FWO's. Our union and the casual caucus at the time in 2019 demanded a pay audit because there were just so many cases coming. Then UNSW self-reported as a result of that demand. We were

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very glad when the FWO got involved, but certainly UNSW was well aware of the problems before that, and it was deliberate.

The CHAIR: It sounds to me that excluding a category of work is not an accident. That's a budget management tool, isn't it?

SARAH GREGSON: There was so much pressure on local areas to keep the budget down, and it was a direct result of that. I can understand it being a slip-up occasionally, but there were so many cases and so many times we alerted them, and they just batted it away and said, "No, it's just an individual problem."

The CHAIR: It's hardly a rounding error, is it?

SARAH GREGSON: No. I've sat on a union committee with management since 2019 when the audit started. We have monthly meetings. What they highlight is that, across the board, every single element of casual pay has been pressured to under-report. Casuals have been told, "No, you can't claim that," every step of the way. It's really not encouraging. I think there's still a problem with not encouraging people to claim everything that it takes. Under-assessment of how long marking takes and all those kinds of things is a perennial problem. Since we've been sitting with management, they've gone back to areas that they've allegedly finished several times. They find some problems in another area and then think, "Oh, we didn't check that in that area," so they go back. I know casuals who've had not just one payment; they've been paid several times. A good friend of mine got I think \$5,000 one time and then just recently has received \$23,000. The thing that bugs me the most, which we keep saying to them, is that you might get the letter saying, "This is what we owe you,"—happy days—but you've got absolutely no capacity to check whether they've got it right this time. You would have no idea.

The CHAIR: Once again, it's relying on trust that they've managed, this time, to get it right.

SARAH GREGSON: They just hope people see it as a windfall and don't ask any questions.

The CHAIR: The methodology and the paperwork for coming up with the amount is not transparent?

SARAH GREGSON: It's not forthcoming. We've asked many times. They will tell us about the sorts of issues it is—non-payment for expected attendance at meetings, mischaracterisation of the work, paying for something at a lower level than it is due, not paying properly for marking. There's just an endless list.

The CHAIR: Sorry to keep going on this, but how are they determining that, if each casual has a different contract? Are they interviewing the staff?

SARAH GREGSON: I understand that they're just comparing pay records with what's actually been offered in the school.

The CHAIR: So this isn't actually an accounting of what a staff member says they've done; this is just, according to the records that we have and according to what you should have had, this is the result.

SARAH GREGSON: Yes. They say that they are assuming that people have done certain work if it would seem like a requirement of the job—and they're restituting on that basis—but a large number of the casuals don't even know they've been underpaid. or they've given it up as a bad job. They tried to claim it and weren't allowed, and that was the end of the story for them. There are lots of people who've left the university and have no idea that they've been underpaid.

The CHAIR: Any other comments?

BEN GOLDER: I can't improve on—Sarah's the expert on this stuff. I'd just say two quick things that are probably broader and might take us in a slightly different direction, so I'll say them really quickly. Speaking to your bemusement that this could possibly have happened and yet it keeps happening, in terms of why that's the case, I just offer two reasons, which are probably well known to you. My colleague just described the managerial structure and culture at universities—here I would say it's not just UNSW; it's sector-wide—as being feudal. I think that's a really good description. In an environment of systematised precarity and hypercasualisation, you have people working in the university sector who are scared to speak up and reliant for ongoing work on people above them. Universities are very hierarchical places. I think that's one of the driving factors towards these sorts of problems being not called out, being reproduced and not being addressed properly—because you have a workforce that is precarious.

Then on the flip side—and this is just a different side of the feudalism—universities have undergone a generational shift backwards. We now have very much a two-tier structure. There are academics who are teachers and researchers, and then there are academics who go into management, who become heads of school, who become associate deans and deans et cetera, and they very much see their loyalty towards the institution and not towards a discipline or their former colleagues, so the same people who are tasked with remediating these

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problems are really detached from the day-to-day experience of teaching and marking. Frankly, their sympathies lie elsewhere, and the incentives all pull them in different directions. I feel like there are many answers to why these problems keep emerging and keep being failed to be addressed properly. They will be two of them: precarity and casualisation on the one hand and the managerial culture that sees many academics become former academics and essentially managers of a workforce from which they're pretty much estranged.

ANNE BARNES: I can bring in a couple of things. One of them is the top-down nature of the culture that's come down and the bullying that's created. The other one is the casualisation of the workforce. A lot of casuals will not speak up because they rely on that work. I started at UNSW in 2004, so I've experienced and seen a number of changes. What really saddens me is that it's a university that's gone from a place that's been incredibly positive, where I've felt I've been part of something and where academics have been respected and have been guiding the university, to now a place where no-one wants to speak out. Everyone has to toe the line, everyone has to get onboard with whatever statement is coming out—we're calling it this; we're calling it that. As an example of casualisation, I work as a casual, as I said earlier, at the New York University, where I'm highly respected and my course is really successful. We constantly get classes full. I got invited to teach a similar class in Australian cinema at UNSW—I have taught within the screen and media school before.

What's happening at that school now is they don't have enough academics to teach, so what they're doing is what they call a convenor. So one academic has to run a number of courses. But, of course, they can't be spread out, so they bring in casuals. I was being brought in under someone who was not a film scholar. They were a media person. She was going to be the convenor of Australian cinema. She knows nothing about Australian cinema. However, she was going to do the introduction. She was bringing people in. I got told, "You can do this and this. By tomorrow, can you give me what you're going to be teaching?" So there was this real push for me to give them my intellectual work.

What it came down to is that, right up to the week before the course was starting, I still didn't have a contract and they weren't going to pay me the allowance, or the money. How do you say it? Not the steps. The wage to cover my expertise, they were not going to pay me for it. They were going to pay me at a lower level. They wouldn't give me the course outlines for the courses prior and the courses after. So therefore I couldn't structure what I was teaching. The convenor was to do that, even though she would have no knowledge of screen theory. So in the end I turned it down. I said, "This isn't going to be the course and this isn't the material I would want to teach the students." The other thing is there were only two small assignments, so there was no rigour at all in that course. It was shocking, because I used to teach that course. Compared to what the students at NYU were coming out with, these students weren't going to get a lot.

The Hon. RACHEL MERTON: Thank you to each of you for being here. In your submission, you make reference to the corporate approach of the university and the absence of consultation or representation on the council. You say that of the 15 council members, just two are elected by students and three are elected by staff. What specific changes or recommendations would you make to how you think the council should look?

SARAH GREGSON: I think the main problem with the council is that, although we have people who are union members or union friendly on the council, those three positions—well, they're staff positions; they're not necessarily union ones. For a long period of time, those people have never been able to speak to staff. I noticed Vlado's image of them wandering around chatting to staff and students. That's not my experience. At particular times of conflict at the university when we've asked councillors what's going on, they say, "I can't tell you anything because I'm bound by all sorts of strictures." I think one council member even said to me, "I don't want to lose my house." I don't know if that was a realistic assessment or not, but definitely they felt they couldn't say anything to anyone. They might be able to solicit information from university members but they certainly couldn't tell us anything about the discussion, so it's completely unaccountable.

BEN GOLDER: Thank you for the question. I would agree with that. I think there are a range of different approaches that could be taken to revising those kinds of university council-level governance arrangements: greater representation for undergrad and postgrad students, greater democratic representation of academic and professional staff—I would very much be in support of that—and different mechanisms for transparency and sharing information with the university community. I guess I would just say that, even if we did all of that, there would still be a number of other things that we would need to do which, in my view, are really, really important. These are cultural problems. Often things don't get anywhere near university council. They get approved by academic boards or faculty boards lower down the governance chain.

Unless we are serious about fixing the top-down culture and systemic culture of not listening to staff representatives and not listening to unions—again, if I can just take us back to the trimester. I sound like I'm obsessed, but it is a perfect example of us warning in advance, based on our experience of working at the university and of our expertise, that various things were obviously going to happen, and supporting students to make the

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same claims. It's about not being listened to, having to live through it, suffering what we predicted would happen, and then being forced to work double time to try and fix it at the end. There is a culture of just being disregarded, disrespected and not listened to. What I'm trying to say is that's a broader cultural question. It's also a governance question. It's not simply a matter of changing the number of seats on a university council or, indeed, even on an academic board.

We need to be holistic and think about these things from a cultural perspective. Universities need to be a lot better and do a lot better at listening to their staff, involving unions in decision-making and listening to the critical, difficult advice that they don't want to hear. It's perverse, but we're employed at universities. We're supposed to be evidence driven and evidence led in different ways and in different disciplines. But perhaps what unites us is that, when the facts change, we change our minds. We don't follow dogma; we make our own minds up. We apply our expertise. Only that doesn't seem to be the case when we speak in our own university to managers about how we want things to take place. Again, I'm giving voice to a shared frustration and concern, not just at university council but across the board.

SARAH GREGSON: If I could add to that, one of the big watershed moments about university council was when Fred Hilmer was vice-chancellor and the university had taken what subsequently turned out to be an ill-advised decision to set up a campus in Singapore, which was then routinely referred to as the fall of Singapore because it only lasted about a year. But Fred Hilmer's line on that was that the council was too democratic and you had all these non-business people on the council, and that's why they had made this decision. He was basically brought in to clean up that mess. It just went from there to being, "Let's get as much staff and student input in the council out of the place so that we won't make these terrible mistakes again." The idea that the staff and student reps would have had any say over Singapore or anything else is laughable. It's always described as a reporting session, rather than an information sharing or discussion body.

The CHAIR: That's fascinating. I wonder if we could use that rationale in reverse, with the university councils that have very little representation and have put themselves into these crises because of all the businesspeople they have on them.

The Hon. RACHEL MERTON: Earlier, we had discussions about international students and the finances and revenue generated by international students to the universities. I'm just wondering whether you had any reflections on what that means to the university offering to Australian students.

SARAH GREGSON: Sorry, I don't understand the question.

The Hon. RACHEL MERTON: It's about the growing reliance on foreign students at the university, given the revenue of foreign students, and what consequences that might mean for Australian domestic students at the university.

SARAH GREGSON: It might go towards the COVID situation and the job losses as well. During that period, we were told that the university had a \$650 million black hole and so massive changes would be needed. There were all sorts of claims made about the market for international students and what would happen to local students and so forth. I have to say, during that period, although there was a massive change in how we did our work—teaching online and all that kind of thing, and a massively intensified workload—I didn't notice a lot of difference in the size of our classes and that kind of thing. I think students, both local and international, put up with what was given to them. The poor international students were told to just go home and everyone sort of logged on from online, and we just got on with it as best we could. I don't know that COVID—although it was obviously catastrophic for many reasons, I don't know that it was the budget black hole that the university then made it out to be in order to do the dramatic staff cuts that came in 2021, where we lost about 730 colleagues.

ANNE BARNES: From my experience, what was amazing about academic and professional staff is everyone very quickly, within a week or two weeks, was online. International students were back home online; domestic students were online. As my colleague was saying, there wasn't suddenly this huge black hole of everyone disappearing. It was really questionable when they did say the predictions going forward.

The Hon. TAYLOR MARTIN: I'll open this up to anyone because I'll refer to your submission. The submission cites the SHARP scheme as an example of placing rankings over the core mission of the university. I just want to open it up to the three of you. In your assessment, what would that money have been better spent on if it was spent on permanent academic staff? What would it go on and what would that money be spent on, rather than staff salaries alone, and what might be delivered if that SHARP funding was redirected?

BEN GOLDER: For me, the SHARP scheme—and there was some discussion of this in the previous session—is emblematic of the university's approach. When I say "the university", I mean the university more broadly. Not just my employer, but the entire sector tends to think about research in an elitist, individual and top-down way. The answer to supporting quality research is "We need to buy in and fly in a Nobel Prize winner."

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I just pause at this point to say that outside the chancellery building at the University of New South Wales, there is a dedicated car space for the chancellor, the vice-chancellor and a Nobel Prize winner. It's not used at the moment, I don't think.

The CHAIR: That's a great reason to win a Nobel Prize.

BEN GOLDER: Come for the parking spot. It's not easy to park on campus, but you probably need another committee to address that issue. It's a really serious point that when the university tends to think about what can we do to improve research rankings, research culture, research productivity, they don't tend to think, "How can we support our existing, really excellent researchers—junior ones? How can we convert people who are on contingent employment and precarious conditions into more permanent forms of employment where they can collaborate and do even more excellent work?" They tend to think, "No, we need to spend a big pot of money flying in people from elsewhere"—who I'm sure are amazing and excellent.

But I, and I suggest probably my colleagues, think about research as a cultural question. It's a question of collaboration. The best academic research is done through working with your colleagues, testing ideas, working together, and not about flying in amazing SHARP hires, as fantastic as I'm sure they are. For me, the point is that it points up a difference between two quite radically different ways of thinking about research culture and research infrastructure. I would have spent that money on converting casual researchers and researchers on contingent employment, and attracting early career academics, Indigenous academics and academics from under-represented cohorts in the academy. That's how I would have spent the money if I'd got my hands on it.

SARAH GREGSON: The SHARP program is only a recent example. For a long time now, there have been various buckets of money for improving the research profile of the university. I always remember Ian Jacobs saying that he thought that the university could be both teaching and research intensive, without any acknowledgement of the workload. Their attitude for that was to convert a lot of people into being teaching focused, that it was bad for metrics if you were a balanced researcher because you couldn't be high on both, then using the money to hire external high flyers. What would happen would be a worsening of job security because those people would come in; they would be on short money; they would be in a school for three years, something like that; the funding would run out; and they'd want to keep them, so there'd be a rank and yank system and the people down the bottom who'd been doing all the teaching would—"Oh, sorry, you're not research excellent. You're not going to get a permanent job." Those kind of programs always worsen job security.

ANNE BARNES: If I could just comment on both SHARP and the nature of the changing of the education-focused roles, SHARP hires is only one example of these projects that get rolled off with these statement headings. Another one was a Scientia project. There was one for academic staff. I just want to talk briefly about the one for higher degree research students. There was a large pot of money put aside for these students. They were going to be the cream of the crop that would come in. They would get a full four years with a very generous stipend, and they were going to be the scholars going forward. Now, working in the higher degree research space and with managing about 50 of the students on different scholarships, I've got to say there was no difference with these students. These scholars that were going to fly, there was absolutely no difference. So that's an example of these grand plans, the marketing coming up with all these different slogans. We've got now a university of slogans. In terms of the transparency, do we ever know—where is the data on whether or how these projects or plans succeeded? It goes behind the green curtain.

The other one I was going to talk about was the education focused. I was there when Fred Hilmer was vice-chancellor. What they decided to do—they wanted to push research, so the academics had to put forward how much research they were—their outputs and their teaching. Those that didn't have the outputs lost their jobs. To be an education-focused academic was not good. Then suddenly there's this turnaround. "We're bringing in these education-focused roles." And it's like, you got rid of those people that loved to educate. That was their passion, and they also were gifted in that way. Now what I hear and what was the concern was early career were taking up this education focused—it was a foot in the door, but there was no time for them to do their own research. I know at one university the research that they're allowed to do has to be to do with pedagogy and education, not a particular area of expertise. So that's a real problem.

The CHAIR: That was a great question to end on. We have reached the end of our time. We do appreciate very much the submission and you coming in today, the sharing of your experience and the advocacy work you do on campus. Thank you so much. We may have supplementary questions and we've got a very condensed time frame to get them back, so we'll keep that in mind with what we ask.

(The witnesses withdrew.)

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Mr WILLIAM SCHARZENBERGER MORAN, President, UNSW Student Representative Council, affirmed and examined

Ms DIYA SENGUPTA, General Secretary, UNSW Student Representative Council, affirmed and examined

The CHAIR: Thank you for appearing today at our inquiry. Would you like to begin by making a short statement?

WILLIAM SCHARZENBERGER MORAN: I'm Billy. I'm the UNSW student rep council president. Our SRC is wholly student run, with 15 office bearers and 12 undergraduate councils. After National Union of Students costs, our spending comes to just over \$21,000, budget-wise. The postgrad council solely represents postgrads and the inter-residential council represents college students, whereas the SRC is the peak representative body for all students. Nearly 5,000 students voted last election, roughly 6 per cent to 7 per cent of the student population—it was exactly 4,883 votes cast there.

I, as president, sit ex officio to the academic and EDI boards as well as to the board of Arc, our student organisation. Additionally, I sit on the student safety committee and the student health advisory committee. Our women's officer sits on the Gendered Violence Student Reference Group. The SRC is a body that sits under Arc. Arc is the overarching student organisation on campus and is responsible for a wide range of extracurricular programs, including O-Week, our clubs and societies, free food and grocery programs, legal and financial counselling, and advocacy through the SRC and PGC. UNSW, on the other hand, runs academic, employability and health services. As of latest reporting, Arc has 54,000 members, equalling roughly around 75 per cent of students. Our Arc board is comprised of eight directly elected student directors as well as the presidents of the PGC and SRC, sitting ex officio, and five non-student directors—two alumni, two from UNSW and the CEO. Arc now publishes their minutes after lobbying by the SRC.

Arc is funded by the UNSW service agreement, part of which is SSAF, as well as through corporate sponsorship, sales, graduations and venue management. The peak decision body at UNSW is the council, with three official members, being the VC, the chancellor and the academic board president ex officio; two ministerial appointments; five appointed by council; and five elected, two of those being academic, one professional and an undergrad and postgrad student. Council publishes the minutes, but SRC has no direct access to council. The structure outlined here causes a level of bureaucracy that often gets in the way of our ability to represent students and create real change.

DIYA SENGUPTA: Billy and I are here as representatives of the SRC. I'm the current general secretary and I previously served as an SRC president, so I also know what happens at that level. As Billy noted, there are several student leadership groups, but the SRC's big goal is to represent all students. While the SRC president sits ex officio on several university boards, the role exists in a paradox. The president is expected to represent the interests of the entire student body, yet the powers available to effect these changes are heavily constrained and ultimately dependent on these external bodies like the council, the Arc Board and the academic board. We regularly receive emails from students who have been failed by the university special consideration systems or academic supports. In most cases, there is very little we can do to directly resolve this besides refer them back to a body that has already let them down. That's because our role is to look at broader reform and lobbying for change at more of a systemic level. But that does mean that for every student that comes to us, we can't do anything to fix their problem besides refer them to somebody else.

We've found that bureaucratic barriers significantly limit our ability to implement the changes that we even want to put in the first place to systemically fix issues. This occurs in two distinct models. First, when we seek to implement change ourselves, we are unable to do so without the support or approval of the university or Arc. We rely on Arc for our funding, and it exercises a degree of administrative oversight over our projects. While this relationship means that we're able to deliver many successful SRC initiatives, where Arc disagrees with our position, it means that they have the final authority and we can't do anything. Similarly, when we advocate for reform within the university, our influence is limited to governance bodies that the SRC president sits on. The clearest example is the academic board, where we have one vote out of 62 votes, most of which are academics and university staff. Because of this, our change is really one where we take feedback and we end up becoming a communication piece more than somebody that can actually deliver change, because the university refuses to meet with us on individual levels unless we go through these channels.

The second model is consultation, where the university introduces changes that directly affect all students. In this model, the university has no obligation to consult the SRC before implementing policy changes and, frankly, they rarely inform us when significant changes are being considered. Whether consultation occurs is left to the discretion of the individual staff member responsible for a project or policy, and that makes it heavily dependent on our individual relationships with the staff of the day, as opposed to an obligation to be accountable

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to students. Even in the limited instances where students are consulted, there is little evidence that meaningful consideration is ever given to feedback. In terms of legislative reform, we believe there should be a stronger obligation to have that relationship between staff and students when those changes are being made, for staff to owe that reporting to students and student representatives, and also to demonstrate the steps it's taken to genuinely engage with feedback instead of just tick off the box and say, "We've talked to students about this." That should be the standard, not something that Billy and I are thankful for—that the university has invited us for a seat at their table.

The CHAIR: You've both covered, process-wise, what you think the issues are with regards to official positions or consultative frameworks et cetera. That's a process thing, but what does that mean? Give an example of where that has had a deleterious consequence for the student body.

DIYA SENGUPTA: An example is I tried to bring this up and many other SRC presidents before my time have lobbied for short extensions through the academic board. Every time, the general process is we go to a student consultation board first, which is all of the students on academic board and some staff there to answer questions. Every time, the answer is it's not going to go through board because we've already had staff say no to this. There's nothing new that we're bringing to this, even though we go, "Hey, we've done a survey. Students want to do this. We have evidence that this has worked at other universities. Why?" The answer is always that staff disagree with the administrative burden of having more accessible extensions for projects. The only way you can do that is to bring that to academic board. We've tried to have meetings with individual staff members. Even when I've had individual meetings with staff members about putting in this solution, they go, "Yes, but it still needs to go through academic board." Because you're the SRC president means you have a seat at the table, but you don't get to do anything beyond have that one-in-62 voice on that board.

The CHAIR: Do you work in concert with the student representatives on council?

DIYA SENGUPTA: The UNSW council?

The CHAIR: Yes.

DIYA SENGUPTA: No, because we don't have any, for lack of a term, obligation to speak to each other, and they don't speak to us. Sometimes we email them if a project comes up. For example, for the short extension one, I did talk to our undergrad council rep about that as well. I'm not sure what their experience was. We have so many student leaders with so many different, distinct roles that it feels like no-one can actually do anything, because they all have different niches and rely on each other to get anything done. I'm pretty sure the undergrad rep on council would also probably be told to take it to academic board because it's an academic issue. Maybe they'd have more weight than I would in that but, at the end of the day, the bureaucratic process of making a change to the academic structure of things needs to get stamped off there. In my opinion, student voices are very undervalued in that room.

The CHAIR: We've had quite a discussion today about the academic calendar at UNSW. I confess I've got two of three—one of my kids has already been through and two are at UNSW now, so I've heard lots of thoughts. We've heard today from the provost and from staff representatives about both the change—which is obviously before your time—to trimesters, and now the proposed change out of it. What's been your experience in terms of what students have thought about the trimester model, but also the proposed changes? What has that process been like in terms of being involved in decisions to move away from the trimester model?

WILLIAM SCHARZENBERGER MORAN: Students have always been quite against the trimester model. One big issue that you don't think about immediately but plays into that is obviously effect on life, effect on work, effect on religious holidays. From my understanding there would be less interruption to Ramadan when we move into semesters versus a triple model. Also, because of the space issues, we don't have enough classrooms. With the three-trimester model you have to have a short exam period, otherwise you're pushing into the next term. You have weekend exams, so students observing Shabbat and other such holidays also are put in that strife of having to deal with that.

DIYA SENGUPTA: If I could add, I believe that part of the academic calendar consultation project, or whatever it was called in its formal title, was that they—basically they met with a bunch of student representatives. I was invited to that and I believe the chair of the Arc Board was, and all of these other student representatives. As somebody who did it, the questions were very broad and vague, like "Are students concerned about their mental health?", "What do you think would happen if a student went on holiday?"—or something like that—"Do students go on holiday?", "Do students have mental health issues?", or, "What do you think are the big issues for students?" It was less about the actual structure of the calendar. I spoke to the undergrad counsellor rep at the time after that to be like, "Oh, I didn't know it was so early stages," and they're like, "Oh, we've already got two proposed model calendars." Because of that, I went, "Cool. That was just to tick the box—that they've talked to

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students about this—and nothing that I actually said was going to meaningfully impact the structure of the calendar if they've already got these two structures out." I have not seen them and what they look like, and what I think the issue would be with these individual structures.

The CHAIR: So you still haven't seen that?

DIYA SENGUPTA: I have not seen it, as SRC general secretary, in the sense that we never got given them, "Hey, here are the two calendars that we are considering." We just know what the final calendar looks like. And now that the final calendar is out, whenever we go to the meetings in terms of the transition, they'll be like, "We weren't considering this other calendar," and it would have had a shorter exam period or something of that sort. But, in general, by the stage that they were giving us these vague questions of student welfare, they already had two calendars drafted up that we never got to see.

The Hon. ANTHONY D'ADAM: How is the undergraduate representative on council elected?

WILLIAM SCHARZENBERGER MORAN: That's a direct online ballot.

DIYA SENGUPTA: And all undergraduate students get a direct online ballot.

The Hon. ANTHONY D'ADAM: That's the same group of people who are eligible to vote for the SRC. Is that correct?

WILLIAM SCHARZENBERGER MORAN: Correct. Yes.

The Hon. ANTHONY D'ADAM: In terms of the last election, you gave us some statistics about the number of participants in the SRC election. Do you know how many people participated in the online election for the undergraduate representative on council?

DIYA SENGUPTA: I believe that we don't have access to the data on who votes for the undergraduate council rep.

The Hon. ANTHONY D'ADAM: They don't publish it?

DIYA SENGUPTA: I don't believe so, no.

The Hon. ANTHONY D'ADAM: Is there any scrutiny of the ballot?

DIYA SENGUPTA: We have our own returning officer for our SRC elections, because we do them through Arc, which is an external organisation. I think that the body responsible for scrutinising that ballot is TEQSA, but I could be wrong.

The Hon. ANTHONY D'ADAM: In terms of the SRC elections, is that done with paper ballots or is that online as well?

DIYA SENGUPTA: That's also online.

WILLIAM SCHARZENBERGER MORAN: That's electronic as well.

DIYA SENGUPTA: We only use electronic ballots at UNSW.

The Hon. ANTHONY D'ADAM: I see.

The Hon. RACHEL MERTON: Following up on that issue, we heard earlier from the National Tertiary Education Union about the make-up of the council being 15 council members, two elected by students and three elected by staff. From a student perspective—and I appreciate that you are the SRC representatives on this—in terms of consultation with students and participation in that governance, what has your experience been on that?

DIYA SENGUPTA: In terms of reaching out and consulting with students who aren't on the council?

The Hon. RACHEL MERTON: Yes.

DIYA SENGUPTA: For us, we always strive to do initiatives to boost engagement, like have a stall out in the main walkway or have an online campaign that people can scan QR codes for. I will say, the most successful campaign that anyone in the university has had, at least to my knowledge, has been the "end the trimesters" campaign. We did our own surveys and all the other student reps did their own consultations and things like that with their groups. But when UNSW put out the official survey, which is what we ended up circulating, because that was what was going directly to them, it had more survey respondents than any other survey they've ever sent out.

That is definitely one of those things where, once UNSW opens the floor to students being able to give feedback on something, students are very willing to engage. It's just a question of, firstly, do they know that they

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can even engage? Often these things are buried at the bottom of some website for something where you have to email in and get a link in advance. So there's that. Secondly, if they're not demonstrating to us that they're meaningfully engaging with the feedback we're giving, then why are we going to go over a 20-page report and analyse what the issues are with it if they're just going to say, "Hey, we took on student feedback. Anyways, we're going to do what we wanted to do anyways."

The CHAIR: That was a question I had. Have you ever seen evidence that any of the feedback has been acted on?

DIYA SENGUPTA: I will say, I remember one specifically which was through one of the communication groups for one of UNSW's campaigns. They specifically sent a thing where they were like, "We got a lot of feedback about this," and then they never ended up incorporating it into the final outcome. So it was more of a way of them record keeping what the feedback was, but they didn't show how it was used to transform the product they were making. That's what makes me feel like student consultations are often affirmative in nature—so they can kind of wax seal off that a student had a look over this—than actually meaningfully, constructively working on things.

WILLIAM SCHARZENBERGER MORAN: There was a complaints management and investigations consultation draft that we didn't get circulated but our researcher at UNSW passed on to us. It was a week before the submissions to give feedback was about to end. They said, "Have you received this at all?" And we hadn't. We went through and we raised some issues with confidentiality and with transparency of the standard operating procedures, and they did come back positively, taking that on board. I haven't seen the final draft. But I guess it was just a worry that there is a world where they would have put that forward and kept that in, because they hadn't even circulated it to staff or to a gendered violence expert on campus.

DIYA SENGUPTA: Also, our women's officer's whole role is to oversee a lot of this stuff, and she had no idea it only got sent to Billy because, I believe, the researcher was a former SRC president as well.

The CHAIR: So it was a staff researcher; it wasn't someone with an official position.

DIYA SENGUPTA: Yes.

WILLIAM SCHARZENBERGER MORAN: That's right.

DIYA SENGUPTA: Who was like, "Hey, are you aware of this thing that I'm aware of?" And we were like, "No, no-one has talked to us about this. We've never come across this, and submissions closed very shortly."

WILLIAM SCHARZENBERGER MORAN: It was just a chance thing. They had checked the university governance page and hit refresh and there it was.

The Hon. RACHEL MERTON: Have you had any interaction with the council? Are there any meetings that are open for you to attend? Are the minutes or records of the meetings shared or made available?

DIYA SENGUPTA: Minutes are published for UNSW council but, like Billy said, we have no ability to actually do anything about it. I believe the vice-chancellor, every year at the beginning of our term, meets kind of as an introduction. But I never got to have anything out of that in the future and never got to speak to anyone else in council, besides me going out of my way to email my undergrad council rep and be like, "Hi, I'm working on this project. What do you think about this? Let's have a meeting." That was the only person that I could speak to.

The CHAIR: We heard from the provost that they are open council meetings. Does the SRC ever send anyone to attend? Did you know they were open?

DIYA SENGUPTA: We didn't know that they were open council meetings.

The CHAIR: You now know they're open.

DIYA SENGUPTA: We assumed that they were not because I believe the NTEU was speaking—and we were also watching that go on—about how it seems so closed up and confidential, and if we talk about this outside of this room then we could get in trouble. Because of that, we were very much under the impression that it was a strictly confidential meeting.

The CHAIR: I'm sure they conduct some of it in camera, but we heard that today. There you go. You can follow up on that and ask to attend the next council meeting. It's interesting that you weren't aware of that.

The Hon. TAYLOR MARTIN: How is the SSAF managed at UNSW? Is there interference from the university?

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WILLIAM SCHARZENBERGER MORAN: Apparently we have a five-year support agreement in place, and that's renewed every five years.

DIYA SENGUPTA: But that's through Arc, not the SRC. We see it as a body under Arc, which is basically like the broader student organisation. They have a five-year agreement with UNSW for SSAF. Unlike a lot of other student unions, we're not strictly funded by SSAF. Arc has other sources of revenue. But I believe we just renewed the five years. Do you know the percentage of that?

WILLIAM SCHARZENBERGER MORAN: It's 40.

DIYA SENGUPTA: Yes, so 40 per cent goes to Arc and then UNSW keeps 60 per cent.

The Hon. TAYLOR MARTIN: On another subject before we wrap up at one o'clock, are you aware of any competing interests between the postgraduate students and the undergraduate with regard to representation?

DIYA SENGUPTA: I think it's quite the opposite. Whenever we do come together, we realise that we're arguing about the same issues and chasing up the same people to get an answer. We have this moment of solidarity where we're like, "Great, no-one's helping you either."

The Hon. TAYLOR MARTIN: Thank you both for your time this morning.

The CHAIR: Thank you so much for making yourselves available to provide evidence today. We may ask some supplementary questions. There's a short turnaround for this hearing. The secretariat will be in touch.

(The witnesses withdrew.)

(Luncheon adjournment)

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Mr FELIX HUGHES, National President, National Union of Students, before the Committee via videoconference, affirmed and examined

Mr AKASH NAGARAJAN, General Secretary, National Union of Students, sworn and examined

Mr ANDREW SHIM, Director, State Our Rights Campaign, sworn and examined

Mr NEEL ERANDE, Student, University of Sydney, affirmed and examined

Ms LUCY FAWCETT, 2025 Welfare Officer, National Union of Students, before the Committee via videoconference, affirmed and examined

The CHAIR: Thank you for all agreeing to appear at the hearing this afternoon. Do any of you have an opening statement that you'd like to make?

NEEL ERANDE: Yes. First off, I'd like to declare that I work in both Federal and State parliaments as an electorate officer. I'm a first-year student at the University of Sydney, enrolled in a Bachelor of Arts, but last year I was doing my HSC. When I was applying to universities, I, and many of my peers, experienced multiple instances of course cuts, leading to significant uncertainty and change in how I viewed university. In 2025 I was also the academic prefect at my high school, where I was in charge of university applications. I saw firsthand how course cuts affected students and their perceptions of higher education. I had also conducted a small survey on early entry outcomes.

Like any student, I changed my mind multiple times about what I wanted to study, but I eventually landed on something in politics and economics, and I was allured by ANU. However, policies like Renew ANU, which threatened courses like the Bachelor of Public Policy, threw me off from accepting. At UTS my first-preference course was cut before I even got to finish my application. The course was a Bachelor of Communication in Social and Political Sciences combined with the Bachelor of International Studies. At Macquarie, after I'd already received my offer to a Bachelor of Arts and Commerce, they cut the politics major, leading them to send me another offer in an alternate course, a single Bachelor of Commerce degree, only after I'd asked.

After accepting many early entry offers, I eventually ended up at the University of Sydney as, in the current climate for universities, it seems only the Group of Eight universities are managing to survive the cuts. Now at university, I see the problem goes far beyond applications. Academic integrity is under threat, with the university confirming 10 exams were impacted with leaks, and class sizes are ballooning but the quality of education is not what I had expected. I'm here today to share the current experience of applying to universities, the pros and cons of early entry programs, and the current state of tertiary education in New South Wales.

FELIX HUGHES: Thank you, Chair and members of the Committee, for the opportunity to appear today. My name is Felix, and I'm the president of the NUS, and I appear alongside our general secretary, Akash. We represent over 1.6 million students across the country and student organisations in New South Wales. I think, for me, it comes down to universities are not just degree factories or corporate entities. They are public institutions. They're created by Parliament and funded significantly by the public. But, for too many students, university governance is remote. It's corporate; it's unaccountable. Decisions about student services, campus life, safety and accessibility, course changes and welfare support are often made without any meaningful student involvement. Students are often consulted after decisions are, effectively, made, rather than included in the structures of whether decisions happen.

The central issue for me is that student voice in New South Wales universities is not guaranteed by law. Student unions and associations currently rely heavily on the goodwill of university management. Some universities do work constructively with student unions, but others do not. This creates inconsistency across the sector and leaves student representation vulnerable. A student union should be able to criticise university management without fearing consequences to its funding, recognition, office spaces or access. Student unions are often the first place students go when they're struggling. They provide advocacy and welfare support, emergency relief, food relief, legal and academic referrals, campus life and democratic participation. These issues are not separate from governance; they are one and the same. If students are not properly represented in governance, universities are more likely to miss the real impact of their decisions.

New South Wales university Acts currently do not properly embed independent student unions as democratic representative bodies. Universities like Macquarie do not have a student union at all. Students need more than symbolic consultation. They need independent democratic organisations that are recognised in legislation, properly funded and give them the capacity to participate in university governance. The NUS is asking New South Wales to legislate independent student unions into every public university Act, modelled on the Western Australian approach. Students are members of the university community and should be treated like that.

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I think this inquiry is a really important opportunity for New South Wales to modernise university governance and put student voice where it belongs: in the law, not at the discretion of university management.

AKASH NAGARAJAN: My name is Akash, and I'm the general secretary at the NUS. I'm also a law/arts student at UNSW. I want to build a bit on what Felix said about why embedding student voice into university governance is so important. Universities should see students as partners to be incorporated into decision-making, not as customers purchasing a product. University councils make major decisions that affect students, but currently students are not adequately represented in those structures. The result is that universities can make expensive, disruptive decisions without proper accountability to the people that have to live with the consequences.

UNSW's trimester system is a clear example. Introduced in 2019, despite strong student and staff opposition, it increased stress, disrupted alignment with school terms and other universities, and caused student satisfaction to plummet. UNSW is now returning to a semester-style model, requiring another major transition soon. A university council with stronger student and staff representation would have resulted in greater scrutiny and justification before such a costly and disruptive change was pushed through. This is not just about having a student in the room; it is about whether students and staff have enough power to meaningfully test university management decisions. At UNSW, for example, council has 15 members; two are students, three are staff. That means the people most affected by the university's decisions are outnumbered in the body responsible for governing the institution.

Across New South Wales, university Acts do not properly recognise independent student unions. That omission creates a real, serious problem. Universities control the student services and amenities fee and how student representation is funded, which essentially means the institution being scrutinised also controls the resources of the student organisation that is expected to scrutinise it. A student union cannot be a genuine check and balance if its funding depends entirely on the management that it may need to scrutinise. We, as the NUS, recommend that every New South Wales public university Act be amended to include three protections: first, statutory recognition of an independent democratic student union at every New South Wales university; second, guaranteed and ongoing SSAF funding to that union; and, third, stronger student and staff representation on university councils and key governance committees.

As Felix said, Western Australia already provides a model for this. At Curtin, elected guild representatives sit on the academic board and key university committees, while the guild president meets regularly with the vice-chancellor and senior executives, something that is uncommon in most of New South Wales. A student partnership agreement also formalises ongoing engagement between the guild and the university, and is renewed regularly. These features of the guild are protected in legislation by the Curtin University Act, allowing the guild to challenge university decisions without fear of losing its funding or independence. New South Wales should adopt similar principles. Thank you for the opportunity to appear.

LUCY FAWCETT: I'd like to thank the Committee for inviting me to appear today. I'll be speaking on my experience as a student representative and welfare advocate from last year in the NUS. When I was the welfare officer, I talked to thousands of students who were having experiences that demonstrated that student welfare cannot be treated as an optional extra within our higher education system. Universities are more than places of learning; they are workplaces, homes, communities and support networks for hundreds of thousands of Australians. When students are struggling with housing insecurity, financial hardship, disability, mental health, discrimination or safety concerns, their ability to participate in education is directly affected. Student welfare is not separate from academic success and should not be treated separately.

Over the past several years, students have reportedly told us that, while the universities speak about wellbeing and the importance of it, they also fail to embed it when it comes to decision-making. Essential services remain under-resourced, waiting times continue to grow and students are often left navigating complex systems at the very time they need support the most. These challenges are not experienced equally. Students with disabilities, international students, regional and rural students, First Nations students, student parents, queer students and those experiencing financial hardships continue to face additional barriers to accessing higher education and remaining enrolled.

Student welfare extends far beyond a counselling service. It encompasses affordable housing, cost-of-living pressures, accessible education, safe campuses, an effective complaints process and access to health care, while also being genuinely represented in decisions that affect student lives. We welcome the reforms by the Commonwealth Government, including the National Student Ombudsman and the National Higher Education Codes. These are important and necessary steps forward. However, these reforms alone cannot resolve the systematic issues students continually experience.

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Higher education operates within a shared responsibility between the Commonwealth and the States. State governments continue to play a critical role through university governance, legislation, public service and oversight. Without coordinated action, much of these barriers students face will remain unchanged. Students deserve institutions that are accountable, transparent and genuinely student centred. Too often students report feeling unheard when raising concerns or advocating for change. Whether it's an issue with support, accommodation, financial wellbeing, discrimination or campus safety, many students feel the system designed to support them instead becomes a barrier they must overcome.

Student welfare is not just about responding when students reach crisis point; it's also about creating a higher education system that enables students to participate, belong and succeed, regardless of their background and circumstances. Every student deserves the opportunity to pursue their education in an environment that is safe, accessible, supportive and equitable. Achieving that requires government, university and student representatives to work together to ensure student welfare remains at the centre of higher education policy and governance.

ANDREW SHIM: I'd like to thank the Committee for inviting us to appear today. I speak to you today drawing upon my lived experience and expertise not only as the previous disabilities officer for the Australian Law Students Association—or ALSA—and a union delegate, but also on the behalf of the State Our Rights campaign, as a grassroots campaign by and for student victim-survivors. The State Our Rights campaign aims to convince State governments to state our rights and reform State legislation to explicitly enshrine a statement of rights into law, in order to establish, support and uphold the rights of students, especially student victim-survivors. The State Our Rights campaign builds upon the work of End Rape on Campus—EROC—the STOP Campaign and the work of the National Union of Students in enacting Federal-level reforms such as the National Student Ombudsman and the National Higher Education Code to Prevent and Respond to Gender-based Violence, which attempt to address institutional responses to on-campus sexual assault.

However, the Commonwealth Government alone cannot remove the barriers faced by victim-survivors due to the unique dual character of tertiary education regulation. The concerted efforts of both the Commonwealth and the States, including New South Wales, will be required to effectively improve outcomes for vulnerable students, especially student victim-survivors. State governments remain responsible for not only the governance of their State universities and many student accommodation providers, but also interconnected health and justice services. Therefore, student victim-survivors, as well as the cross-sector assemblage of peak bodies that endorsed our joint submission, raise genuine concerns that Federal-level reforms will be undermined unless State governments stop abdicating the responsibility of reform and regulation of Australia's tertiary education settings.

As our joint submission with the National Union of Students and the Australian Law Students Association articulates, the statistics and the implications for student welfare are alarming. One in 20 students have been sexually assaulted in Australian university environments, which equates to approximately 275 sexual assaults each week, every week, as captured by the National Student Safety Survey. One in six students have experienced sexual harassment on campuses. Even more concerning, as recently as 2025, we found that more than 40 per cent of female international students had experienced at least one incident of sexual assault and gender-based violence since arriving in Australia. At least 40 per cent of student victim-survivors now live with post-traumatic stress disorder, anxiety, depression, suicide attempts, disordered eating and psychosocial disability as a direct result of their experiences. Female students with disability were more than 100 per cent more likely to experience on-campus sexual assaults than female students without disability.

Alarming, the attitudes and actions of many universities, including New South Wales public universities, reflect a hostile approach which not only jeopardises outcomes for student victim-survivors but also arises from opaque governance structures that do not prioritise the voices of student victim-survivors. Even after the establishment of the NSO and the national higher education code, student representatives, especially student victim-survivors, continue to face widespread barriers to having a genuine voice and seat at the table. For many universities, upholding student welfare and providing a safe, accessible and equitable learning environment are not considered to be the institution's primary objectives and purposes. This very lack of accountability and the lack of safe, effective and transparent processes for raising complaints are especially concerning because they can derail a student victim-survivor's life.

As End Rape on Campus had stated during the Senate inquiry into consent laws, a common theme for victim-survivors is "My rape was bad, but the way my university responded was worse." This is a feature, not a bug, of current governance structures. The State Our Rights campaign has witnessed several cases, including in the past five to six months, of intimidatory, coercive and unsafe conduct by university management to stifle and silence student victim-survivors.

CORRECTED

I myself was a victim-survivor who had experienced such victimisation. When I attempted to raise concerns after I too was sexually assaulted during my studies at the University of Sydney, I was told by senior leaders at the university, including by associate deans, that I should drop out—I had no place in this university, and I should not be here, and I did not belong. This is the attitude of many within university management. This is the victim blaming faced by many student victim-survivors who do not feel safe and supported by current governance arrangements.

Intimidation and adverse consequences are allowed to exist due to the lack of transparency, accountability and effective oversight that, in turn, is eroding the rights of student victim-survivors. I share many characteristics with Grace Tame. I am autistic, and I am a survivor. Much like Grace Tame, I am choosing to be public about my lived experience as a rape victim-survivor with the hope that this advocacy and disclosure can in turn encourage vital changes to State laws to support the rights of victim-survivors. Nothing about us without us. I welcome the Committee's questions.

The CHAIR: I might start with a question for the NUS representative. You mentioned the Western Australian model. I wondered if you might explicitly describe what it is that you would like to see. I am looking at you, Mr Nagarajan, because we've had UNSW representatives here today. I wonder if perhaps you could, using UNSW as an example, describe what it is, ideally, that NUS is advocating for.

AKASH NAGARAJAN: It essentially would be a legislative change in the University of New South Wales Act which would essentially stipulate how engagement—it would ensure funding for a fully independent, democratic student union, which would essentially mean that that funding that currently doesn't go to the UNSW SRC would be there. They would run their welfare services and run their advocacy services. It would essentially allow for them not to be—they would be fully independent from the university. There won't be anyone from the university affecting their advocacy in that way.

If there is an Act of Parliament that says that the university has to engage with the relevant student union that is created within the Act and that the president of the student union has to have an agreement with the vice-chancellor on how that student engagement looks like, that means that current engagement that isn't occurring will start to occur because it's part of the legislation. It's something that needs to be done; it's not something that you choose to do. Engaging with students and treating them as partners in decision-making is something that is actually done. It's done by legislation that says you've got to do it.

The CHAIR: What you're suggesting is that each university comes up with its own model of engagement, but that it is mandated in the Act that there is some.

AKASH NAGARAJAN: Yes.

The CHAIR: Isn't there a danger in that it's not as deep or legitimate as required? Would it not be better to have a uniform type of engagement?

AKASH NAGARAJAN: I think it's really up to each university's democratic student union on how they want to engage with management of certain levels. If they want to engage and want to have a regular meeting and the relationship is constructive, it gives freedom for student unions to either directly engage every week with the vice-chancellor or, if they don't agree with the university's decisions, look at other avenues for getting what they want.

The Hon. ANTHONY D'ADAM: What do you say to the proposition of having the student association directly represented on the university's council? At the moment I think there's an elected person, but they sit separate from the student association. There are other models. The academic senate in most universities has a collegiate model of selection. What do you say to the proposition that the student association be given the nominating rights for one representative on the council?

AKASH NAGARAJAN: I think the way it works in Perth—I'm not exactly sure of this, but the way I see it should be working is the president of the student association sits on university council. That's the best way for it to work—as a voting member of council.

The CHAIR: Mr Shim, could I follow up your introduction with a question. Your submission and your introduction call for the development of measures to improve the representation of people with lived experience, including victim-survivors and people with disability. It's the same question but in your area. What would that look like in practice to you? What is it that you want to see as that representative vehicle?

ANDREW SHIM: As alluded to explicitly in our joint submission, which was endorsed by several peak bodies such as Mental Health Carers NSW and the Survivor Hub—and as explicitly enshrined in the PWDA submission to this very inquiry, I believe—it is not a novel or even untested idea to encourage more representative and intersectional representation of leaders in these governance structures. Dr Paul Harpur has alluded to this in

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the PWDA submission, and other disabled academics have been quite clear that the first step, first and foremost, is actually ensuring that there are staff and students on these representative structures. Currently, at many universities, including the University of Sydney, there will often only be one or two tokenistic student representatives. There will be perhaps only one or two elected staff representatives, and the remaining leaders on such a council will often be from non-academic backgrounds. They will be, to be quite blunt, from the same demographic background. Many of them will not necessarily be representative of a diversity of age, diversity of race, diversity of disability and diversity of backgrounds.

I believe you would have heard from several other witnesses about the proposal to ensure that at least 50 per cent of council be represented from staff and students. What we as the State Our Rights campaign believes is that, in addition to that, representatives who are then pulled in from non-academic backgrounds should emphatically come from backgrounds such as people with disability and people who are victim-survivors and representing victim-survivors. There needs to be a greater emphasis on understanding that a university's public purpose is not to emulate a corporation but rather to advance a public mission and a public good. Part of that, we believe, must entail reflecting and being representative of the Australian public, not just the corporate Australian elite. We're happy to take any further questions on notice in that regard, but we believe that the solution is quite common sense.

The CHAIR: Mr Erande, you were finishing school last year. This inquiry started last year and we were taking evidence about universities that were implementing the types of course cuts and subject cuts that you were speaking about. You said you had a role in your school in helping others. In your experience in that role, what impact did the perception of these big changes and course cuts and subject cuts have on the students around you?

NEEL ERANDE: It had multiple impacts. Obviously, with the perception of universities as a whole, profit became the main—everyone was like, "Well, they clearly just care about money." That became so bluntly clear to all students. It also made some people second-guess their degree choices. Education was hit at UTS. They might have reversed that decision in the end but, when early offers weren't sent out, it made a lot of people reconsider, saying, "Why is education being cut? Is there no future for me in that? If I can't go to that university, maybe I have to change my choices."

The CHAIR: That's interesting, because we hear a lot of talk about making sure that we prioritise things like teaching and nursing. What you're suggesting is that potential prospective students are now starting to question whether those careers are worth pursuing.

NEEL ERANDE: Yes. I know someone who was at the University of Wollongong who was interested in geography, and then the Bachelor of Geography got cut and now the geography majors are getting cut. It just seems to be that university management is trying to standardise degrees, and that reduces specificity and niches that happen.

The Hon. SARAH MITCHELL: I have a question that follows on from the questions that you were asking Mr Erande, Chair. You mentioned briefly in your opening remarks about the early offers. You were saying just then that, obviously, if the courses are up in the air and it's a little bit hard to know what to apply for, that can have an impact on students. From your perspective having gone through that most recently—certainly more recently than any of us on this Committee, in terms of our university offers—how did that early process work for you? Do you think that that's a good thing that universities do? Do you think that's something that we could recommend in this Committee, in terms of early offers and what that looks like from a student perspective?

NEEL ERANDE: I did a survey to my cohort. I'll just quickly mention that before addressing the question. So 100 per cent of respondents had applied for early entry and all 100 per cent had received at least one offer. Some 10 per cent of respondents indicated that it would reduce HSC effort, while 90 per cent said it would have no impact. The main thing I'd say about early offers is that I do think they're a good thing. It's an alternate path to the ATAR. But I think it needs to be improved and standardised. Each university has their own different metrics and systems, and there's no transparency or accountability the same way there is with UAC publishing annually.

No-one really knows what is the benchmark. Whatever my marks are in year 11, I don't know if that's good enough or not good enough for early entry. You either get the offer or you don't—there's no telling. Macquarie University considers leadership, achievements and community service. ANU doesn't do that anymore. Some universities give out five offers at one time. It's all really broken up. It's up to the university. It's broken up in that way. There's no clear early offer system. It lacks transparency and it makes it really confusing for students applying. I had to send out so many emails to my grade saying, "Here, this one opened up" or "This one is releasing offers today." One uniform system would also make it much fairer to students.

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The Hon. SARAH MITCHELL: It goes to the point around what we're trying to look at as a Committee in terms of governance, but also student voice has been quite a consistent theme. I hadn't really turned my mind to what that process looks like leading into becoming a student at a particular university. That's useful in terms of our deliberations. I've got another question for, I think, Mr Hughes. I appreciate the advice about the Western Australia model because I think that's interesting for the Committee to look at. You said that some universities are better than others in terms of engaging with students. From that national perspective, particularly within New South Wales universities—not asking you to name and shame—do you have any examples that you've got from your colleagues and the people that you work with at the different universities in terms of what is good practice in New South Wales that is happening at the moment? Are there any green shoots you can point to in terms of student engagement that stand out, from your perspective?

FELIX HUGHES: The answer to that, unfortunately, is that across the country, I think New South Wales probably has the worst reputation for student engagement at its universities. There's no university I can think of that is engaging in best practice in New South Wales. There are individual universities across the country that do exhibit best practice in individual areas—in engagement with the student union or engagement with particular groups—but none in New South Wales. Western Australia has probably the best model in terms of legislation, obviously recognising student unions in legislation. One of the things that New South Wales universities do, with very few exceptions, is when they don't like what a student union is saying or they don't like the activity that a student union is engaging in, they will create secondary student unions—student unions that aren't independent and that can take money away from the properly funded student union.

That as a behaviour takes away trust of all students in that university, and it takes away trust in the systems but also in that representative body that students need. Best practice in other States looks like universities respecting student representation and respecting student voice. It means things like what was mentioned before, like having de facto members on university councils, academic boards and faculty boards as well. It also means assessing vice-chancellors and university councils off their engagement with students. I think that, within the public perception, there isn't a lot of critique of New South Wales universities for their systematic oppression of independent student unionism. I think it's hard to point to best practice when that has been going on at most universities I can think of in New South Wales.

The Hon. SARAH MITCHELL: Did anyone else want to comment on that? You don't have to.

The CHAIR: Can I put a follow-up question to be answered in that mix? Mr Hughes, you spoke about examples of the setting up of—I know what I would call them in other circumstances—other unions aside from student unions. Can either you or Mr Nagarajan point to examples in New South Wales? Can you tell me where that has happened?

FELIX HUGHES: Yes, most of them do.

AKASH NAGARAJAN: Essentially, every university in New South Wales—well, not every but a lot of them have distinct, separate bodies that revenue goes to. If you look across the country, there's usually one student organisation that's democratically elected, independent of the university, whereas in New South Wales we've got a system where multiple universities have got multiple different bodies. At UNSW, for example, there's Arc and then UNSW SRC; UNSW SRC is a subsidiary of Arc. At Wollongong, you've got the Wollongong university students association, which is the association that provides the welfare support, the services and the free period products on campus. You've then got the SSAF revenue, which was meant to go to the Wollongong university students association, diverted to what they call the student advisory council.

The CHAIR: That's right—management determines who's on it.

AKASH NAGARAJAN: Yes. That occurs at Wollongong. Then at USyd, you've got the University of Sydney Union and then the USyd SRC.

NEEL ERANDE: And the postgraduate one.

AKASH NAGARAJAN: And the postgraduate one as well. You've got so many different bodies that unionism, essentially, is fractured rather than consolidated, when we want to see an independent, democratic and consolidated student union at every university, which currently in New South Wales doesn't really seem to exist. Maybe Western Sydney University's up-and-coming union might be different.

The CHAIR: Can I ask a follow-up question to that? In the distribution of the SSAF funding, you now have these competing bodies—one, two or multiple. Does the university council decide—or who decides what the proportion of funding is that goes to each of these bodies?

AKASH NAGARAJAN: Most student organisations negotiate directly with the university, but it is the university that essentially decides.

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The CHAIR: That ultimately decides.

AKASH NAGARAJAN: For example, at UTS, I think they've got the UTS Students' Association, and then they've got another body that's called ActivateUTS.

The CHAIR: Yes, I remember that.

AKASH NAGARAJAN: One of them receives, like, 11 per cent, and then the other one receives a lot more. They're essentially competing against each other for the student funding, the humanities fee, whereas that shouldn't necessarily be happening. There should be one independent student union that exists in legislation, preferably.

FELIX HUGHES: Can I also jump in, if possible. It does change based off the university. General practice is that it passes university council or university council has delegated that authority to either the vice-chancellor or to a deputy vice-chancellor of student experience or student engagement. At some point, it would have been delegated from university council. The other part of that is there's obviously a national minimum SSAF that's required to go to student-led organisations. That's 40 per cent. When engaging universities on this issue, they will often say, "We are required by law to give 40 per cent SSAF to student-led organisations. What do you mean we're making fake student unions? This isn't a thing." That is very misleading. The Federal definition of what a student-led organisation is is so broad and weak. It doesn't require them to be independent; it doesn't require them to be democratically elected at all.

I think in the case of Wollongong, the actual student union is getting close to 1 per cent of SSAF. It's a bit higher than that, but it's nowhere near that 40 per cent mark. When we talk about the Western Australian model, there are sub-parts of that as well. It's not just recognising them in legislation so that those other student unions exist; it's then creating those governance structures for those student unions. In WA, for example, they guarantee 50 per cent of SSAF to their student-led organisations. They go above that national threshold. It has de facto membership on a number of committees and boards of the university, but it requires its independence. Just in of itself, being named in legislation means the university can't wake up one day and go, "Today I'm going to make up this fake student union; if it gets abolished in three years time, I'll make another one," and just this cycle and cycle.

The CHAIR: There's often this discussion about what the Federal responsibility is and what the State responsibility is. What you're providing there is the WA example of where something enshrined in State legislation assists with the distribution of funding that comes from the Federal Government but ensures that it's done in an appropriate way at the State level through the governance mechanisms of the Act. Is that a correct summary?

FELIX HUGHES: Exactly. Yes, that's completely correct. The Federal definition, the principle of it and how it's actually being implemented are really different. The principle of it is 40 per cent should go to student-led organisations. While that definition is really broad, I think it is up to States who look after those individual universities' Acts to actually make sure that that is being applied in a way that achieves the principle of it, rather than just saying, "Universities, we trust you."

ANDREW SHIM: May I bandwagon onto that. To answer your question, Chair, the State Our Rights campaign can give you a very specific New South Wales example that elucidates how universities will use not only their control over SSAF funding but also their approach to student unions as a way to chill engagement, especially from vulnerable cohorts, and how this then in turn has a flow-on effect into stifling democratic participation and complaints-handling processes. We're happy to tender into evidence the *Honi Soit* article that was written about this quite extensively.

At the University of Sydney, as Akash has mentioned, essentially there are four main entities that are called student associations that receive staff funding. These are USyd SRC; SUPRA, which is the Sydney University Postgraduate Representative Association; the University of Sydney Union, or USU; and the University of Sydney sports and recreation association. In the mid-2010s there was an incident in which several students with disability at the University of Sydney were asking for a disabilities room—a safe space in which they could take their medications, for example, carers could, for example, also utilise breastfeeding facilities, and autistic students and other neurodivergent people could have a safe space or a quiet space in which they could process their sensory needs.

This request was made by the SRC and by SUPRA to the University of Sydney for just \$10,000 of funding to set up a room that was at the time being used for chair storage. What the University of Sydney management did in order to shut down the entire discussion was to then essentially pass the buck to USU and say, "USU needs to pass a council resolution to approve of the establishment of this room; otherwise, we will not even review the SSAF funding request for this room." Successive disabilities officers at the University of Sydney SRC

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and SUPRA had to consistently, over the span of four to five years, ask for a room. It was only when the USU, SRC and SUPRA all came together that the University of Sydney even agreed to accede to this request.

The inciting incident that suddenly sparked the university's expedience in approving the set-up of a room was because there was a highly publicised incident in which a group of students put a sign on the main walkway saying, "Are disabled people a burden on society? Vote yes or no." It took three days for management to take down this highly ableist and offensive sign. It was the furore and public backlash to the sign which suddenly expedited the request to create a disability space. There are countless examples like this where universities in New South Wales will exploit and weaponise a rather segmented and divided model of governance and their control over SSAF funding to essentially silence voices and to pass the buck along until they feel comfortable, based on whether there is public backlash or attention or not.

The CHAIR: With the SSAF funding and these competing organisations—and you said you go and negotiate with, essentially, the VCs or their delegates—is there a budget bid process? Does it open and you know that this is the amount of funding and you go in? Is that part transparent that there's this pool of funding and each of the organisations goes and puts their bid in, or is it not conducted in that way?

FELIX HUGHES: I'm happy to jump in there and say, unfortunately, it's different at each university so there's not a really clear answer, but your general answer would be no. They have ongoing agreements with the university on their funding model. They don't go in and say, "We want"—well, it does depend on the university. The model shouldn't be "We want to spend \$10,000 on this free food service, \$20,000 on this transport service," and putting in individual budget bids. It should just be a blanket "Here is X percentage of SSAF. How would students like to spend it? We trust you." However, there are examples where universities have—say 40 per cent goes to student-led organisations, 10 per cent goes to capital infrastructure, and student-led organisations can apply for the capital infrastructure, at which point they will put in budget bids for that.

ANDREW SHIM: May I add one more thing on this topic? A lot of times the enabling legislation does not specify what sort of student representative or staff representative is on these councils. Legislation will rarely stipulate that an SRC president or a postgraduate representative should be an ex officio member. There have been several instances that have been well documented, not only in New South Wales but also nationally, of SRC presidents and post-grad presidents not being allowed into council room sittings when they have raised issues of significant concern.

For example, one of the people who co-founded the State Our Rights campaign is Heidi La Paglia, who was not only the NUS women's officer who set up the National Student Safety Survey, but was the SRC president for the University of Tasmania when the stadium proposal was being first debated. Almost magically, through a period of change, she and other SRC representatives in the University of Tasmania were no longer given access to minutes or access to agendas in advance. They were slowly frozen out, essentially, of a council process. There are instances in which, because many SRC presidents and student representatives are having to depend upon the kindness of the university to extend them an invitation to the table, universities can and have revoked access to council room sittings when they have deemed it to be inconvenient for them to have to discuss thorny issues.

The CHAIR: Mr Nagarajan, can I ask you a UNSW-specific question just from some evidence that came out this morning? We had two different answers by different groups on the same question. We had the provost here earlier who said that UNSW council meetings were open, and then we had the SRC representatives here who said they didn't know that the university council meetings were open. Were you aware that the university council meetings were open for anyone to attend?

AKASH NAGARAJAN: I knew they were open, but I didn't know where I could get an invite. It's not like student representatives are given a seat at the table like, "Hi, can you please come and attend?" or told where the meeting is. The Chancellery building is completely locked, usually. No student can really access it without prior permission. I was general secretary at UNSW last year, and I certainly did not attend any council meetings.

The CHAIR: I just wanted to check on that from earlier evidence. I'm not sure for those who aren't New South Wales based if you have followed any of the inquiry at all. This is the last day of what has been—ask my Committee colleagues—a lengthy inquiry. Having probably taken at least a peripheral interest in what's been going on, given your involvement in student politics, have you got any general reflections on what has come out so far? We've now got on record your suggestions about governance. Is there anything else that has come out that you wanted to comment on, given what's come out of the past nine hearings?

ANDREW SHIM: I can go first. The Wollongong undergrad students association—I believe they were witnesses to this very inquiry. They had raised serious concerns about the sexual assault services of their campuses being shut down. They had explicitly raised how that substantiates their request for a State student ombudsman to be set up. Fundamentally, today, two things that the State Our Rights campaign would like the Committee to

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strongly consider is the establishment of a State student ombudsman, as alluded to by WUSA, but also amending section 6 of enabling legislation to explicitly mention that a purpose of a university should be to provide a safe, effective and accessible tertiary student environment.

Something that is quite alarming is that universities often view the topic of gender-based violence very much as a tick-box exercise even though the national higher education code has been established. We have heard that the NSO has been overrun with complaints that Lucy, I am sure, will be happy to elaborate upon. In addition to that, we have heard of several instances in which universities will use processes such as GIPA Act requests and FOI requests to essentially stifle any sort of transparency and accountability. There was an instance, as captured in the Senate inquiry into consent laws, in which there was a University of Sydney student who was sexually assaulted in a parking lot. The New South Wales police essentially wanted to release the CCTV footage in order to identify the perpetrator. It was the University of Sydney that had blocked that request. To this day, years later, even though End Rape on Campus and other grassroots activists have been trying to get that footage released, the University of Sydney, because they're trying to protect their reputation, has blocked the release of that footage.

In my own case, for example, when I, as a student leader, have reported my own experiences of sexual assault during my studies, I was told by people in the complaints process that it is possible that, because of my ADHD, I am misremembering what happened to me. When I had then made an FOI request to release some of those documents through the National Student Ombudsman process, it was actually the University of Sydney who then in turn blocked the release of those documents, citing that it poses operational issues for these documents to be released.

We have heard from countless student victim-survivors who are saying, a year out from the National Code being established, that universities are using processes like FOI and GIPAA to essentially use the process as punishment whereby complaint-handling processes and other processes of obtaining information are being stifled. We believe that if section 6 of enabling legislation explicitly cites that a purpose of the university should be the provision of a safe educational environment, that will in turn start to shape a culture that is a little safer for the students so that people do not feel that they are unwelcome in these environments.

AKASH NAGARAJAN: Frankly, I think everything that has come out of this inquiry is shocking, but it's not surprising. In my couple of years in student politics, at least, I think that university management does not meaningfully engage with students. Students aren't viewed as partners in decision-making; they are viewed as customers coming to purchase a product. That can be shown through many things, like consultation regarding the calendar changes last year at UNSW. There was consultation. We were given two calendars and asked to consult. How our consultation was actually incorporated into those two models, no-one really knew. I don't think the staff knew, and I don't think the students knew. Sure, you've heard our feedback, but how is our feedback actually being used? That's the question many student representatives across New South Wales will continue to ask. I think that transparency there is probably the most important thing going forward.

NEEL ERANDE: I think, firstly, it's clear that what's come out of this inquiry shows that student voices always need to be first. In the case of stuff where applicants are considered, like early entry, there needs to be central regulation from State governments. Without that, you won't have more fair or transparent outcomes, if no universities and/or no central body is enforcing anything. I also think that universities shouldn't have to reduce the standard of education for profit. Education should be the priority. Things shouldn't be cut just because they aren't making money. Courses should be kept online because they generate educational value.

The CHAIR: Mr Hughes or Ms Fawcett, did you have any final thoughts, from afar?

FELIX HUGHES: I'll just say it is hard to properly articulate the scale of the crisis affecting the higher education sector. Throughout the inquiry, I've seen a whole range of things come out. I won't reflect on individual parts, but they haven't been surprising. My end thought is universities are never going to do this proactively. You can never trust them to do this proactively. They will have to be taken along, kicking and screaming. But this is a really unique opportunity for bold reform, and I hope the Committee goes at this looking at bold reform that really will change the system students exist in. We talk about all these broad themes and the WA model and whatnot, but the actual impacts of the decisions that are made here and at university councils are on things like sexual assault on campus. It's on accessibility. It's on things that change students' lives. Bold reform is what's needed to actually make students have a positive experience at universities.

LUCY FAWCETT: I'll just back up what Andrew and Felix have already said around how universities never want to change. They think they're perfect for students. A lot of the time it's the students that suffer and see that these things aren't what they need to be for students. In a workshop I did for the NSO, we went through a student university website and, without searching or using any search tools, you had to try and find the university policies around complaints and how the university managed them. No-one in the room of about 50 people could find it within a 10-minute time frame. Things like that are the barriers that are stopping students. While the NSO

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does a really good job at handling national complaints, because State governments legislate universities on their own different level, the NSO can't help with everything. State-based ombudsmen that can be set up to work with the NSO is something that I think students would really benefit from. Also, the way that university governance is done to make it easier for students to access those records and be able to make complaints, as well, is something that should be looked at.

ANDREW SHIM: My final comment is that there needs to be a serious acknowledgement, as Felix has alluded to, that the scale of this problem cannot be understated. There is very much an attitudinal approach from many university management leaders where they are quite dismissive of the voices of students and staff, but especially the voices of vulnerable staff and students. I've been in rooms where university management have essentially laughed and have been quite dismissive of quite serious allegations of psychosocial hazard and gender-based violence.

Myself, along with many student leaders, were told by End Rape On Campus that there was even one incident in which a senior vice-chancellor had said that because they're more likely to be sued by a perpetrator for defamation than they are to be sued by a victim-survivor for, say, an unsafe work environment or an unsafe study environment, they have to therefore prioritise the needs and wishes of perpetrators over victim-survivors. This is something that a senior leader said in a room with victim-survivors, both staff and students. The fact that they feel emboldened enough to even say words like that, I think, really underscores the level of severity of this crisis. We have to ensure that we are not simply reshuffling the deck chairs on the *Titanic* and to really ensure that the culture of the governance in these universities is intersectional, safe and accessible.

The CHAIR: With that, we have reached the end of our time. I wanted to thank you all for making the time to be available today to give evidence, for your submissions and for the important work that you do on campuses to advocate for students. We appreciate that as well. We may have supplementary questions. We've got a really short turnaround because we're trying to wind this thing up. It'll be seven days and the secretariat will be in touch if there are supplementary questions.

(The witnesses withdrew.)

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Dr ADAM LUCAS, Honorary Senior Fellow, School of Humanities and Social Inquiry, Faculty of Arts, Social Sciences and Humanities, University of Wollongong, sworn and examined

Emeritus Professor JAMES GUTHRIE, AM, Department of Accounting and Corporate Governance, Macquarie University, affirmed and examined

The CHAIR: Thank you for making yourselves available. I understand that we have been in receipt of a supplementary submission. We will deal with tabling that a bit later.

ADAM LUCAS: Dr Kaine, can I just say that, for the questions that you circulated to us, we have prepared some brief responses. If you would like to go through them with us, we can respond to them or take questions.

The CHAIR: Certainly, thank you. You are, in some ways, old hands to the Committee now since you have appeared before. One of the reasons that we've asked you to come back is because, since we had you, we have taken a whole range of evidence from other universities. We were quite specifically looking at the University of Wollongong when we had you in last time, but since then we've had, I think, almost all of the universities appear. One of the key aspects that we have had evidence on are their financial accounts and their annual reports. We felt that it would be good to have you back to more generally talk about reporting and financial statements and how they appear. Thank you for agreeing to do that. Would you like to start by making a general statement?

ADAM LUCAS: James has prepared a general statement.

JAMES GUTHRIE: I speak on behalf of Adam and myself. First, an apology for the length and timing of our evidence, which has just been tabled. Adam and I, over the last week or two, have been in a position where we've been inspired by the Committee and its interim report, and we decided to put together our thinking. We've been working together for five or six years, so we've actually provided quite a detailed submission. I should point out that the submission does not really cover off our original submission or the questions on notice. We've tried to provide new evidence to the Committee of what we think is going on.

Our goal is to offer the Committee a framework for evaluating the governance and financial reporting of the New South Wales public universities. It's not just a question of governance failures, which has been underpinned by various evidence and the report and, of course, ICAC recently. It's also the consistent and systematic use of consultants, which I think has led us to a position where there has been a real undermining of public trust in terms of the administration of our public universities. This is not just a technical oversight; I believe it's a confusion of perspectives and a confusion of language and narratives that are going on. This confusion is leading to significant impacts on the staff and students, and I'm using the word "significant" because we're talking about significant changes to courses, changes to subjects, changes to careers and changes to staff wellbeing on campus—not only the staff that have been terminated, but the current staff. They have impacts.

The first part I would start is talking about accounting measurement. Now, I've been a professor of accounting for too many decades, but we need to understand we're talking about public sector accounting and not commercial business accounting. It's very important that we get our concepts in line because there's no such thing as an objective number. Even though numbers are thrown around, they are subjective; they're socially created. We need to get a handle on our four accounting concepts that we need to deal with. The first one is cash accounting. Cash accounting is really important. Cash accounting is your household accounting. I don't know about you, but I live on cash. Cash is king. I know how much I get in the pension and how much I pay out, and I know how much balance I've got.

The second one is our fund or budget accounting. This is how the Government works. The State Government works on fund accounting, and universities work on a mixture internally of cash and fund accounting. They get cash from the Government or they get a fund allocation that goes over a period of time, and they've got to spend that money as per that fund, which would be your State budget or whatever it is. We then move from what I would call—I'm going to use the word "actual", because with cash I've got a bit of a feel for it; it's an actual.

But then we move to where we have significant choice, and the choice is when we move to accrual-based financial accounting. We have lots of choices then, when we get there, to understand what's happening. What is an asset? We can see a building, but what value are we going to put on the building? Do we put a historical cost on it? Do we put fair value on it? Do we put replacement value on it? There are lots of standards around and textbooks; we teach it in accounting 101 and 102 about the various choices that go on about measuring. We go identification, measure and then we put a number on it, but we've got choices to get to it.

The fourth one is like from Mars. It's the one about cost. What is the cost? Well, it's thrown around, and it's a construction—it's a construction of something that people think. They think about standard costing, variable

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costing or fixed costing a range of things, and they invent numbers or ways to actually understand what these are. What is the cost? Separate from cash, base some of it on accrual, base it on activities, more about efficiency and more about constructing something that they think is standardised across a unit of production—or, in this case, universities. So we've got a bit of a language thing going on.

There are two main issues that we would like to address today, which is all to do with accounting. The first issue would be the reliance on international student revenue. Clearly that's a big issue when it comes to all these discussions about the so-called fiscal crisis. We have to understand that for the university and our vice-chancellors, international students are cash. They're what I've called the cash surplus machine. I was talking to Adam about this over lunch. I was head of school at Sydney university in accounting. I was on the executive of the faculty. What was my lived experience? I was told I had to take a cohort of international, which was 500 international students—99 per cent from mainland China.

If you do the calculation, which I've done in my opening address or in our document, I then have to find labour. We always used to reach to the casual workforce for that—\$20,000 a unit. We worked out that that was \$2.4 million for a cohort over 18 months, and the students would be paying roughly about \$70,000 to \$80,000 for the degree—a lot more than the local students for exactly the same degree. Then what we did was I used to say on the back of the envelope that your revenue—i.e., your cash receipts—were \$40 million. I've just spent \$2 million to \$3 million on casual staff.

Your free cash flow is the difference. That's quite a significant amount—in that case, \$37 million. Then you might say, "What about other allocations?" Of course you have a vice-chancellor's salary, which in cash would be about \$1.5 million in entitlements. What do you do? You calculate that over the 80,000 students at Sydney Uni. That's 18¢ per student. We have to get a lot of the cost added in to actually make some inroads into that model. We have that one which is the sort of idea that these international students are the revenue or the cash revenue inside the university.

The second one, of course, is over the last decade the unbelievable amount of commercial infrastructure being built by universities on campus or off campus, and of course it's all debt funded. What comes with debt? Interest. None of these projects—and I'm using the word "none"—would have a rate of return in the commercial world, so they're being built for other reasons, and those reasons would be maybe to provide student accommodation, which I would argue is a commercial activity, or it might be used to provide at Wollongong university the wellbeing, aged and health innovation hub, which I've been to a number of times, which is a loss-making activity but it's being built. How is that being funded? It's being funded by debt or international students, because the international students were the cash coming into the organisation.

How did that come about? It came about because in the public sector accounting world, we have had the difficulty since this commercial business accounting is being brought to us in about 1990 or 2000 in that we have problems with what is capital and what is operating. What's happened in universities, in 2014, there was a \$5 billion fund, which was to be used for capital improvements on universities. Tony Abbott froze it, and it stayed frozen for seven or eight years and used for other purposes. So what did the smart money men do? They went to universities and said, "Well, now if you want to build or if you want to do anything, you've got to have finance."

The University of Wollongong, at that stage, they actually had cash surpluses of a couple of hundred million. They borrowed some money, and then they were able to build a \$250 million student accommodation. And that was in a PPP. They ran into a bit of a problem, and we're not quite sure what the real cost of that PPP was, because there was COVID and a \$169 million payment for—we're not quite sure what it was for. But that happened in terms of capital versus operating and the mixing of the two in the university environment. Now remember, the universities are charities. They're not allowed to use the word "profit".

The CHAIR: They accidentally do sometimes. CFOs accidentally do, I've got to say.

JAMES GUTHRIE: They're not allowed to use the word "profit" or "loss".

The CHAIR: Can I maybe take you back to some of the comments you made to begin with about choices? This is something that we have asked university managements across the course of this inquiry, which is their choices about how they present their accounts. We particularly had this discussion with regards to UTS and Newcastle, but not exclusively those two, about the way they presented their finances and constructing around those choices and narrative of crisis, that if some drastic action isn't taken, then the university—I don't know—is going to fall off a fiscal cliff or whatever. I wanted to put that to you around the choices that universities make and how you tell whether it's an actual crisis or whether it's a story of a crisis.

JAMES GUTHRIE: I can handle that one. We were talking about this at lunch today. We've got *The Sydney Morning Herald* last Saturday. I don't know if you read the story. There was a story in *The Sydney Morning Herald* about the fiscal crisis at Wollongong university. I just love this stuff. There was a paragraph—

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clearly the journalist had jumped on the bandwagon of the consultant or, in that case, the interim vice-chancellor at the time. They mixed up cash, they mixed up surplus—which is profit in commercial accounting terms. They mix up other concepts such as the write-off—the \$169 million write-off, which we still can't get any public evidence on that. All we know is the New South Wales Auditor-General got the university to restate their accounts, which is really rare, to account for that as an expense. So it wasn't a repayment of capital.

It may be for profit-loss, because these things are what they call BOOT schemes. Some builders built it. There's someone else going to operate it. The operator said, "Because of COVID, we don't have enough students coming through. So you've got to pay us for the loss of students." That becomes an expense rather than a capital item. So it's a bit messy. There are choices. The journalist is not the only one that does this all the time. There's a fiscal crisis, which is a construction. Then, when they start to try to explain it, whether it's the poor old vice-chancellor or someone else, they mix up these accounting terms. They mix up cash, they mix up fund allocation, they mix up cost and they mix up numbers from the general purpose financial statement.

I've got to be careful here. The second accounting trick they do is, when they present their results, they ring fence certain operating and non-operating activities. This is something that I noticed happening in about 2015, and now it's common practice. Ring fencing just means someone makes a choice. If we earn money from investments, it's not operations, so it doesn't go there. What happens is the money from investment—Melbourne uni might be up to \$2 billion now, or whatever it is, and they earn things on it. How do they account for it? They say that's nothing to do with the operations. But my argument is, how did they get the surplus in the first place? They got the surplus out of operations. Why have they got it? For a rainy day. Well, what's a rainy day? We just keep accumulating what they call "cash and cash equivalents".

Many of the universities have quite a large number, especially the sandstones, of these so-called "surpluses", and they're ring fenced for operations. The other choice they would do, which is the University of Wollongong. Adam and I have spent a lot of time talking and looking at it. What do they do with their overseas operations? The University of Wollongong has these holding companies and trading companies that operate overseas. What do they do with the accounting treatments? There's no way of knowing that they're profitable. But, of course, they'll say they're profitable because costs associated with them or funds expended on them would be allocated back to the holding company, being the University of Wollongong. Out here on the right, whether it's Dubai, India or Hong Kong, they would only have certain things allocated to them. That's what I mean by accounting choice. What choices do they make in terms of these things? How do they allocate?

The CHAIR: A related question—again, it was looking at UTS figures that started me thinking about this, and I know you have both written articles about this and commentaries—is the treatment of depreciation by universities. I wondered, Dr Lucas, if you could talk about that.

ADAM LUCAS: We can speak to that specifically. Our analysis is showing that depreciation is a significant non-cash accounting allocation that's constructing reported financial performance. We have Australian Accounting Standards. Under those, universities depreciate buildings, infrastructure and equipment over their estimated useful life. The critical issue is that governments don't provide specific funding to cover annual depreciation charges, and nor do faculties include depreciation in their operating budget. Depreciation actually becomes essentially a determined accounting choice, which is what we've been talking about, rather than a cash expenditure.

Public universities receive government funding, as James just talked about, through cash appropriations, and they don't include a depreciation component. You've got the Commonwealth Grant Scheme, research block grants and HELP payments. They're cash-based funding streams, like the international student fees. As a consequence of this, when a university annual report records a loss, it's actually reporting an accounting construct rather than a funding shortfall. As we've been talking about, it's an accounting management choice. It's not mandated in any specific way. The standards require depreciation, but universities choose how to apply them.

The choice to present what they call "non-statutory underlying operating results", which is a recent construct that doesn't have an accounting basis for it, alongside the audited statutory accounts—that's entirely a management decision. It's not required by any accounting standard. James was just talking about ring fencing. That's primarily going to be investment income and accumulated reserves that they're ring fencing. But it's actually derived from operating profits. But they're saying, "Oh, no, we can't spend that on research, teaching or public engagement. We're just keeping it here to save it for a rainy day." They didn't really save it for a rainy day. They spent it on more investment income and more accumulated reserves. An example is the University of Sydney. It recorded an operating surplus that exceeded \$545 million in 2024, but it reported an underlying operating loss of almost \$69 million. So \$545 million and \$69 million loss—that's a big, big difference. They're consistently doing this. This manufactured crisis provides—

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The CHAIR: Can I stop you there? Can you explain to me that? They've got this \$545 million and you end up at the \$69 million.

ADAM LUCAS: The \$545 million is the cash in, cash out, and the \$69 million loss is the result of amortisation, depreciation et cetera.

The CHAIR: All those choices you're talking about.

ADAM LUCAS: Yes, that's right.

The CHAIR: They have discretion over the allocation of those losses?

JAMES GUTHRIE: The financial reports generate these things. It's how the narrative of the university, at a point of time, creates a so-called fiscal crisis. They did that around COVID, which I did a fair bit of work on. We found that there really wasn't a so-called fiscal crisis. They're doing it at the present time, consistently amongst many of the universities, not just in New South Wales. Maybe that's around issues of government funding, issues of enterprise agreements, issues of whatever it is. These accounting numbers are generated by either an internal budget, an internal forecast, the statutory required general purpose financial reports, the annual reports, or other special purpose activities. They're generated, and different reports will come up with different numbers depending on the accounting choices in there. The business accounting standards are for commercial enterprises. They're required by law for public sector organisations to produce a general purpose financial report under accrual business accounting, and the universities generate that. They're not allowed to use the word "profit" or "loss" in their balance sheet or their revenue statement. They use the word "surplus".

The Hon. ANTHONY D'ADAM: Take the—how much was it?—the \$350 million building, or maybe it was more, at UTS. You say that's not an income-producing asset, but it will depreciate over a period of time. Does the depreciation rate, according to accounting standards, last the depreciation period—the whole life of the asset? You build a building. There's buildings in Sydney that have been around since 1850. I'm assuming on the books they're worth nothing. They would have depreciated to zero, but they're still serving a useful purpose.

ADAM LUCAS: And require maintenance.

JAMES GUTHRIE: The big issue you've got here is that—and we put this in our submission in detail—is that a lot of the assets, land and buildings of universities have been gifted. They're in the books at nil. Then comes 2014 or, before that, comes accrual accounting, but they never really got into fair value. The CFO has woken up one day and says that now we have to value these assets. They were gifted, but now we've got to put a commercial value on it. The problem is that for most of these assets on Sydney university or Melbourne university or Wollongong university, there's no other alternate use for them. There's no commercial use for them. But, under accrual accounting and under their thinking, they say, "Well, let's apply the standard. The standard says that 2.5 to 4 per cent we can depreciate." They just automatically calculate it and then put it in the revenue statement. In the revenue statement, they put it above the line, being operating costs. It's an operating cost—"How do we justify it?" It's accounting language. You just do it. You can't blame the CFO. They're just following practice.

The CHAIR: I can see it here. I've just picked it out in your submission. Again, I've had discussions about the UTS example. For example, you're going to need a certain amount of infrastructure—your buildings—to keep the university operating but you have those buildings on land in the CBD of Sydney, which will keep increasing in value, which in turn then increases the depreciation, which then on paper increases your liabilities.

ADAM LUCAS: That's exactly right.

The CHAIR: You have this situation where you have this growth in what is on the negative side of the books but, in reality—if you have maintenance, that's a different thing—part of that depreciation is the increase in value that's external to what the university is doing. Is that right?

JAMES GUTHRIE: The issue there is that it doesn't create a liability. We put that aside. What it does is we have what we call accruals revenue and expenses. It increases your expenses. You match your revenue and expenses and the difference is your net profit, which in university language is a surplus.

The CHAIR: So it's an increase in the expense size, which makes it look like your surplus is less.

JAMES GUTHRIE: Exactly. That's exactly the point. My colleagues at the University of Technology Sydney did a great counter-account of what happened and how this stuff is being used. That gets back to your original point about the narrative. I'm not saying the vice-chancellor wakes up in the morning and says, "We've got to have a financial crisis"—notice I've used the words "we've got to" have a financial crisis—"and then we will construct a financial crisis, and then we can use that financial crisis for certain management decision-making."

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The Hon. ANTHONY D'ADAM: What is the logic? I don't understand. So you create the crisis but it's a not-for-profit, so you generate more surplus. To what end? The logic just doesn't make any sense. Why would you create a crisis to restructure the operations in a particular way, to potentially keep accruing a bigger surplus? To what end? Where does it go? Where is the battle over the resource allocation that's driving the agenda?

ADAM LUCAS: Mr D'Adam, what we're seeing is this money being put into construction and into the expansion of overseas campuses, primarily. James, do you want to comment on that?

The Hon. ANTHONY D'ADAM: Who benefits from that?

JAMES GUTHRIE: It's correct in that, if we get to your point, it's about what they spend it on. Are they spending it on teaching? Are they spending it on research? Are they spending it on infrastructure? The fourth one is the big one: Are they spending it on interest on debt? You've got Macquarie University that built a hospital. I worked on the enterprise agreement a couple of years ago, and they argued that it was profitable. That's because the loan for the hospital went back into operating; it wasn't allocated to the hospital. All the interest payments on the hospital were back in the holding company as operating. The hospital looked really good because they got a free hospital. This is the accounting choice that goes on.

The CHAIR: The UTS example, where they decided that they needed to pay off the debt within a particular time, was a management decision about when they needed to retire that debt.

ADAM LUCAS: Yes, and similarly with University of Wollongong.

The CHAIR: But I guess, in answer to Mr D'Adam's question, we could only imagine what it is that's driving university managements to pursue this.

The Hon. ANTHONY D'ADAM: I still don't understand.

ADAM LUCAS: Can I make a comment about something that one of the emeritus professors told me about one of our previous vice-chancellors. The previous vice-chancellor had said to the emeritus professor that he had ambitions to be a property developer, and that's exactly how he behaved when he was running our university.

JAMES GUTHRIE: And he spent \$1 billion, didn't he?

ADAM LUCAS: Pretty much \$1 billion on buildings and construction while sacking large numbers of our staff.

The CHAIR: That's the \$64 million question, I think, Mr D'Adam. One of the things we have been looking at—and of course, there's a particular angle with the Wollongong university situation—is about consultant spend, how it's currently accounted for and suggestions as to what would be a better model of accounting for it.

ADAM LUCAS: Sure, I can speak to that. Consultant spending is currently disclosed in a way that makes meaningful scrutiny almost impossible. We've dealt with that in part 1 of our submission. New South Wales universities, according to Professor Corinne Cortese, who gave evidence at the hearing, spent over \$640 million on consultants in 2024 alone; our spend at Wollongong in 2024 was \$16.6 million. That was the same year that it developed plans for cutting more than 200 jobs. In 2023 alone, according to our own annual report, UOW spent \$49 million on consultants and travel, which basically wiped out any of the savings that were putatively sought through job cuts.

The problem is that these figures are often hidden within broad, opaque categories such as "other expenses", "contract services" or "professional fees". Again, we've dealt with that in part 1 and part 11 of our submission. Universities are currently exempt from detailed consultant disclosure requirements under NSW Treasury policy and guidelines. That's TPG25-10a, and that's dealt with in part 11 and part 1 of our submission. That means that university councils can withhold details of consulting contracts that they commissioned themselves, effectively insulating the executive decision-making from public scrutiny.

The CHAIR: There's nothing stopping universities, though—and UTS, I think, did this for a couple of years and then stopped this year—detailing consultant use. It's not as if that's going to conflict with something else. They have a discretionary choice to make, again, and they've chosen to go to the letter of the Treasury guideline. Correct?

ADAM LUCAS: Yes, that's correct, generally speaking. I think UTS was one of the few universities—

The CHAIR: Not this year, though. I think previous years, yes.

ADAM LUCAS: Sure. We think that this could have happened with KPMG provision of services at the University of Wollongong.

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The CHAIR: Sorry, can you say that bit again? I interrupted you on that bit.

ADAM LUCAS: About the details of consulting contracts that they commissioned themselves—that they can insulate executive decision-making from public scrutiny—we think that this is something that has happened with KPMG and its relationship with our university, Wollongong. To conclude this, the submission recommends mandated itemised disclosure of all consultant spending, regardless of whether it's expensed or capitalised, and claims of commercial in confidence are only allowed to be applied when they satisfy a rigorous public interest test. That's something we talk about in part 1 and part 11 in our recommendations. We also recommend removing the TPG exemptions and requiring nationally consistent annual disclosure of individual expense categories to prevent universities from burying consultant spending under vague labels. Corinne Cortese also said potentially up to \$1.8 billion had been spent on consultants throughout the country.

JAMES GUTHRIE: In a year.

ADAM LUCAS: In a year.

The CHAIR: On a slightly different topic, universities have to report for different things, and they're very sure to point out in all of their submissions about how much admin they have to do and how much reporting they have to do. They have to do the annual reports for the Auditor-General. They have to do reports for the Australian charities commission. I presume they have to do their sort of equity reporting as well. As I understand it, each of these have a different method of counting headcount. Is that correct?

ADAM LUCAS: Indeed.

The CHAIR: Could you explain a bit about that and why that matters? Why does that matter?

ADAM LUCAS: Yes, indeed. We can indeed talk about this. Universities report their workforce data, as you just said, to three principal places: the annual reports, and generally speaking they just use full-time equivalent measures; they have to report to the Federal Department of Education for statistics, again, usually FTE; and also they have to make the disclosures to the Australian Charities and Not-for-profits Commission, and that's headcount measures. We talk about that in part eight of our submission in detail. Those three reporting systems—they often report different employment totals because they use different classifications, different measurement bases and different reporting dates. The variation is really substantial.

Looking at Wollongong uni, in 2019 the charities commission reported 7,551 individual employees and the annual report recorded 2,934 full-time equivalent. In the Department of Education, it was almost 500 lower than that—2,425—for the same institution in the same year. The different timings of the different reports have a significant impact. Universities report workforce data at financial year end in late June and at calendar year end, which is late December. But they are periods when the vast majority of the casual teaching staff are no longer on the books, having completed their teaching duties for the semester. This timing systematically undercounts the casual workforce, which constitutes almost half of all university employees nationally.

In our submission, we're recommending dual reporting of headcount and FTE, with mandatory disclosure of the number of permanent fixed-term and casual employees in both measures. We also recommend that reporting dates be set at the end of the teaching intensive periods of late May and late October when casual teaching staff are actively engaged and therefore captured in the workforce data. Without those kinds of reforms, workforce reductions are going to continue to be understood only in this opaque language of full-time equivalent, concealing the true human cost of restructuring. Here are some stats on that: From 2019—this is seven years ago, mind you—the charities commission reported 216,000 individuals, but the full-time equivalent figure was 122,000, so 100,000 difference was showing that there are 98,000 casual employees at that time.

The CHAIR: That's an interesting one that we haven't covered before. I'm conscious that we're nearly at the end of our session. Given there has been quite a lot of development at the University of Wollongong and you appeared originally about that, do you have any reflections on events or any further analysis?

ADAM LUCAS: Just briefly. I'll let James speak to this as well. I was very surprised at some of the things that have come out because I did not have any idea of some of these internal issues that were going on in terms of the—I don't know—corruption of the employment process or whatever word you want to use for that. But, generally speaking, it confirmed a lot of the things that we had been speaking to you about and that we've been documenting over the last several years. It was a kind of smoking gun for a lot of the things that we had suspected were going on but didn't have concrete proof of, and that has come out through the evidence.

JAMES GUTHRIE: Adam and I were talking about this at lunch. In our submission, attachment A, there is a document that argues that now—and there's a petition from change.org—the only way to restore the integrity at the University of Wollongong is the council must resign or be removed in the short term because too much damage is being done. There needs to be a new executive or governance structure put in very soon;

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otherwise, they're going to muddle along. I think we're seeing this at the present time with the issues that KPMG has over conflict of interest and how they keep moving the captains of the ship. Some leave the ship—jump off—then another one comes in and they have a problem. They're still in this cycle of governance that is being questioned. Clearly what the Independent Commission Against Corruption has been able to do is document many, or several, of these activities that have been going on.

The CHAIR: We very much appreciate the effort in appearing twice and also the second submission, which is a very detailed document. We appreciate that very much. Thank you. It is possible that there will be supplementary questions, although because you've given such a comprehensive second submission, that might assist us, but we do have a shorter turnaround time if indeed we do get in touch about supplementary questions. Thank you so much.

(The witnesses withdrew.)

(Short adjournment)

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Professor MANUEL B. GRAEBER, MD, PhD, FRCPath, President, University of Sydney Association of Professors, and Vice-President, Australian Association of University Professors, sworn and examined

Professor GABRIEL DONLEAVY, MA, LLB, PhD, FCA, FRSA, FCMI, FHEA, Professor of Accounting, University of New England, and Representative, Australian Association of University Professors, before the Committee via videoconference, sworn and examined

Associate Professor Dr SHUMI AKHTAR, Associate Professor, Governance, Financial Crime, Artificial Intelligence and Higher Education at the University of Sydney and representative, Australian Association of University Professors, affirmed and examined

The CHAIR: Good afternoon. Welcome to the inquiry. Do any of you have an opening statement?

GABRIEL DONLEAVY: I hope I'll be the briefest. I thought I have to say something, though, because the problems facing the universities which this Committee is looking at are serious, are complex and affect many things. In my judgement, the problems arise from the universities identifying themselves nowadays as primarily business entities. This makes the managerial class separate from the academics more and more. The universities don't have the resources of Meta or Alphabet, the big computer firms, where the academics and the managerial specialists can easily mix. University education is also seen as a human right, and it should therefore be expanded past 50 per cent of the relevant population.

In the old days of elite education, there was a great consensus in society about behaviour, conduct, decency and citizenship imparted at home and at schools. Most of that is gone now. We've got suicides, misery and anomie amongst the student population. What schools used to be assumed to do by way of building character, building good citizenship and general knowledge, universities are, by default, having to do. They are not officially or explicitly charged with it, because they are still assuming that it's already been done when it really hasn't. In this month's *Quadrant* magazine, there is an article by Oliver Hartwich on a very important German thinker about education called Humboldt, who founded the same named university in Berlin, and a quality in German called "Bildung", which is the overall character and foundation of learning. He said that to train somebody in the professions or in a specialist skill is impossible if there isn't already a foundation of sound character, sound citizenship and general knowledge.

That means conceptualising the universities afresh as community entities for the common good first and as training grounds for higher paid jobs only second. If we do that then we are returning the universities to the tradition that they began with, which was as clerical establishments. You wouldn't have turned an old church or religious thing into a business. One of the things that caused the Reformation in the first place was the selling of relics and the selling of pardons because the churches had got corrupted by financial pressure. If we think that there is this community role for universities, over and above a training role, then we should have a community structure. At the moment, especially in Australia, we have a situation where deans have got their own national group and vice-chancellors have got their own national group, and social and other pressures of value come sideways rather than upwards and downwards in one university community in any one university. We need to build the idea of a university community and universities for the community so that they are primarily social entities rather than business ones.

As social entities, they need an equivalent of a national assembly or some such thing, rather than separate business competitive avenues. The German example, again, that the British and the Americans imposed on the Germans after World War II of a supervisory governing board has something to recommend it, whereby existing councils, more or less as they currently they are, would report to a supervisory board which would be elected by what the Government and possibly even the Constitution said, where the relevant stakeholders are properly balanced against each other with a predominance of academics and students, because they are the beating heart of that community. If we had something like that, then we would be in a position to re-establish the role of universities and the international standing of Australian universities. We've already got convocation in some universities like mine, but they're supposed to be a community voice which merely advises the council, not a community voice that restrains the council. To sum up, I think we have to look quite far in sorting out the university's problems. We have to ideally start with reconceptualising and getting some consensus, at least on committees like this one, if we can, of what the university is or ought to be for.

The CHAIR: I would remind the remainder of you with your opening statements that we have a half-hour in total. We do already have written submissions from you, so if you wanted to keep that in mind with your opening statements. It's at your discretion, but we only have a limited amount of time and we already have your written submissions.

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SHUMI AKHTAR: Honourable Chair, Deputy Chair and members of the Committee, thank you for inviting me. My evidence draws on my research at the University of Sydney and my lived experience in higher education and the experience of colleagues across the sector through AAUP. When the truth-telling is punished and lies are rewarded, university or academia cannot fulfil its purpose or mission. Governance has effectively disappeared. Universities exist to serve the community, yet too many managers operate without accountability, advancing private interests over the public mission. The human cost is evident. Toxic cultures, overwork, baseless allegations and underpayment have made many universities unsafe workplaces. Today, I focus on Go8 universities—multibillion-dollar, highly profitable organisations. But at what cost and whose cost? The Federal framework is misaligned with the State governance laws, and the legislation governing these universities is outdated and no longer fit for purpose.

The pattern is clear and consistent: corruption and fraud covered up as business as usual; relentless bullying, harassment and sexual abuse normalised as the price or currency of survival; conflicts of interest weaponised against a victim; foreign interference and influence compromising national security; selective application of policies; HR used to advance nefarious goals; recruitment, promotion and confirmation processes are, in many cases, conducted with little or no regard for the university's policies and procedures; fabricated, misleading and fraudulent documents and records are used to justify predetermined decisions and to victimise staff who have raised legitimate concerns. Merit is no longer the primary basis for decision-making. Jobs for mates and favouritism have become the dominant drivers. Recruitment processes are frequently opaque, with tokenistic box-ticking exercises. Confidentiality is used as a veil for the very managers it should never protect and complaint processes are not a remedy but a trap. Complainants are identified, isolated, exhausted and silenced, while manufactured paper trails are recycled to reassure this very Parliament that all is fine and they are doing everything they can and there is no problem.

I'm personally aware of many of the items above as well as AAUP, so I urge you to verify under oath every document provided by management. Look out for whitewashing. Do not let the recently manufactured paper trails conceal the truth from the Parliament. My seven recommendations are that we need urgent whistleblowing protection, including support for legal costs; we need to ban the NDA and publish senior executive salaries and KPIs; move the GIPAA decisions to an independent external body, and do not let universities govern or administer that; modernise the university's charters and the legislation; invest in AI capability before mandating in education; independent and forensic investigation into apparent irregularities in financial statements and records; as well as the misuse of public funding on external consultants should be investigated.

Above all, I urge the Committee to recommend a royal commission or a parliamentary inquiry with a special power into the governance, financial management and conduct of Group of Eight university leadership and to recommend that any evidence of potential misconduct to be referred to the NACC, ICAC and the police for investigation. This should be accompanied by an independent academic ombuds, standardised financial reporting, a minimum national governance framework, and a national register to prevent repeat offenders moving between institutions. To conclude, education in Australia is the fourth largest export and cornerstone to our future leaders and quality of life. At stake is the psychosocial safety of students and academics, and the integrity of our universities. I and AAUP are leading evidence-based research on these issues and can provide the Committee with supporting evidence as supplementary materials, as agreed. Thank you. I'm happy to take questions.

MANUEL GRAEBER: I'm here as the vice-president of the Australian Association of University Professors, AAUP, and as president of the University of Sydney Association of Professors. I would like to begin with a message from the AAUP council to this Committee and Parliament. Madam Chair, Deputy Chair and members of the Committee, the AAUP urges Parliament to recognise that Australia's universities are failing their public mission due to the systemic erosion of scholar-led governance. For too long, decision-making authority has been transferred from practising academics who have spent decades mastering research, teaching and peer accountability to managers who assume academic titles without regard for academic values or scholarly governance experience.

This sector-wide shift deceives the public by conflating corporate-style administration with educational stewardship. The resulting model drives up costs, marginalises frontline scholars who witness systemic breakdowns firsthand, silences truth tellers, and subordinates the pursuit of knowledge to short-term financial metrics. We propose a proven alternative that is both simpler and more effective: a participatory democratic governance model. This university model can be achieved by filling all substantive decision-making roles—all, from council and senate to academic leadership at the departmental level—through election by the university community, with administrative staff returning to functions that support a university's academic mission.

This governance model can be enacted today and reduces costs. Drawing on a millennium of global institutional history, this scholar-led approach is more cost-effective and aligns institutional priorities with the public good. It ensures that those shaping Australia's education and research sectors are directly accountable to

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the community they serve. When universities are scholar led, they protect the quality of education offered to domestic students and restore transparency. Academic leadership also safeguards the critical thinking and moral courage that our society needs to cultivate, now more than ever, in this emerging age of artificial intelligence. I would like to now read the message from our council, who cares about the University of Sydney, but this applies to all universities:

A University's Reputation Is Not A Defense: It Is the Evidence Of What Is at Stake

When serious allegations of misconduct reach the leadership of a historic university, allegations of bribery, blackmail, intimidation, and compromised investigations, a familiar argument appears: the institution is too important, too valuable to society to be dragged through a public reckoning.

We should recognise this argument for what it is. No one accepts that a brilliant surgeon's skill excuses a violent crime, or that the service of a talented official cancels corruption. Yet we are asked to believe that an institution's prestige should soften the scrutiny of the people who run it. This gets the logic exactly backwards.

The more a university matters, the more students it credentials, the more public money it receives, the more its leaders owe the public an honest accounting, not less.

Here is what the "protect the reputation" argument conveniently omits: institutions are not destroyed by scandals. They are destroyed by cover-ups. The misconduct is survivable, but years of concealment, silenced whistleblowers, and quiet settlements turn a governance failure into a moral catastrophe. There are many well known examples worldwide.

Meanwhile, the reputation being "protected" was never the property of the officials invoking it. It was built by generations of honest students, researchers and teachers—the very people who pay the price when their degrees, their careers, and their work fall under suspicion because leaders choose image over truth.

A university that expels a student for plagiarism while shielding its own executives from investigation has not protected its standards; it has confessed that it no longer has any.

The good news is that there is no tension between accountability and institutional survival, they are the same project. Independent investigations with no insiders on the panel. Real whistleblower protections with teeth. Published governance audits. These mechanisms exist at least internationally, they work, and institutions that adopt them emerge stronger.

So the test for any university facing serious allegations is simple, and the public should apply it without apology: leadership with nothing to hide will welcome independent scrutiny, because it is the fastest road to vindication. Leadership that resists it has already told us something.

A university's mission is the pursuit of truth. It cannot fulfill that mission while suppressing it about itself.

I'm happy to take your questions.

The CHAIR: You note—I think it was you, Professor Graeber, and also you, Professor Donleavy—the displacement of collegial self-governance in universities. I wondered why you argue that this is problematic. I note you did make some suggestions, but what are the key ways that you suggest this has changed?

GABRIEL DONLEAVY: It's problematic because the effective—and, indeed, theoretical, largely—structure of university governance and management is very similar to an ordinary business corporation. That's problematic because it prioritises the value of competition over the value of education for any longer term or non-commercial purpose. If government and State appoint people to councils largely from business and sometimes from public sector experience but very rarely academics with academic experience who are also credible to business or the public sector because of, for example, consultancy or specialised teaching or research that they've done, then you've got the equivalent of an invading army, such as the Normans after the Norman conquest in Britain, ruling over an alien population—the Anglo-Saxons in Britain in that analogy. That creates problems in getting people to do what you want them to do from the very beginning because you're both coming to the party—or, in this case, the battlefield—with totally different preconceptions about what you're there for.

The CHAIR: Professor Aktar or Professor Graeber, do you have a response to that question?

SHUMI AKHTAR: I have no more comments.

MANUEL GRAEBER: It's difficult to hear you over here.

The CHAIR: Did you have any comments on that collegiality?

MANUEL GRAEBER: If I understood it correctly, knowledge is not competitive; knowledge is shared. So I think having colleagues instead of a different population, as I understood Gabriel just said, is of advantage. That's why there's collegiality and why that's so important.

SHUMI AKHTAR: Collegiality happens to be a new pillar now at the University of Sydney. In theory it sounds fine, but they misrepresent and mislabel it if you've raised any concerns or questions or sought clarification. As soon as you did that, you were not collegial, so therefore you must be the bad person. Therefore, the rest just continues. This conception of collegiality, either the management needs to learn what it really means or stop misusing the meaning of it. That's all I have to say.

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The CHAIR: I'm having a memory of something about collegiality in the evidence we took from the University of Sydney. Now does it appear in performance reviews?

SHUMI AKHTAR: Correct.

The CHAIR: Who gets to determine whether you're collegial in a performance review?

SHUMI AKHTAR: It is highly subjective. If you're not the management group or their pet, then you'll be retaliated against, even if you asked the very basic questions for clarification or you raised concerns about students wellbeing or their learning or teaching. It could be anything.

The CHAIR: In your submission you indicate that you support strengthening reporting obligations. What specifically would you like to see? What particular categories would you like to see more reporting in?

SHUMI AKHTAR: In the financial reporting?

The CHAIR: What was in your submission, so if you could—

SHUMI AKHTAR: I have very interestedly listened to Professor Guthrie's, and also Dr Lucas's, submissions and witness comments. It won't do justice for me to talk about it here. I have already written a paper, which I'm very happy to share with you, to show that it is millions of dollars. If you accumulate them over the years, it will be billions of dollars unaccounted for. They don't even have any explanations in the financial statements. Some of the items can be used as a loophole to be able to—for example, depreciation is one. It is not really a cash item. It's rather allocated money. You can allocate anything if you wanted to play around with expenses to demonstrate that the ultimate profit is low. This is one of the creative accounting you can put in place. The other aspects are, for example, this item line called "other". Nobody knows what "other" means. It doesn't even have any notes. That beats the whole purpose. I'm not talking about one or two million that has been allocated in that line item in the reporting, but millions of dollars. Again, I would take this question on notice, if I may, and give you the full details so that you understand the depth of the problem we have across the Go8 universities' financial reports, which are publicly available.

The CHAIR: So you're particularly suggesting areas of the financial reporting that's changed. I'm trying to get very specific.

SHUMI AKHTAR: Correct. There has to be some kind of template at the Federal level. There has to be some minimum, like a line item, that it must include. Of course every university operates differently. Their revenue sources or their expenses are slightly different. But, at a high level, they're all the same. We all have students and we all teach. Therefore, my suggestion is to have some reporting line items as a very minimum. Each one of them must have full notes to explain what has happened and how it was expensed, including the consulting. That's another story, which I will also give you full details. Any expenditure on consultants—if it is \$50,000 or more, you are supposed to be detailing who it was, what the purpose was for and, basically, what the outcome was for. None of that I see in our Go8 university consultancy.

The CHAIR: They don't have to report to that level because of the Treasury guidelines at the moment.

SHUMI AKHTAR: That has to change.

The CHAIR: We asked the University of Sydney why they weren't reporting more and they said because they didn't legally have to. That was the answer we got. Professor Graeber, do you want to add to that?

MANUEL GRAEBER: I will add to that because you mentioned the university response. I do feel obliged to, to accept adverse mention; I won't do that. But let me read the following statements to you, "This Committee will receive sworn evidence testimony on Thursday from different academic staff members, whose evidence indicates that the representations currently made by the University of Sydney management warrant careful scrutiny and should not be accepted without independent corroboration."

The CHAIR: What are you quoting from?

MANUEL GRAEBER: I just wanted to make sure this is parliamentary phraseology and not adverse mention. There will be sworn evidence that suggests Parliament should look very carefully at the evidence presented. Along those lines, I wish to draw the Committee's attention to a discrepancy between the documents, evidence on file and certain statements Provost Jagose made during the hearing, particularly in response to question 41 on whistleblowing. As outlined in my submission, the available records indicate a different institutional positioning than that described in her testimony. I respectfully submit that this variance warrants clarification to ensure the Committee's findings are fully grounded in the complete evidentiary record. There needs to be corroboration of colleagues and I, and there will be sworn evidence confirming that Parliament should double-check, in plain English, everything that's said by the current University of Sydney management.

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GABRIEL DONLEAVY: Very quickly, Chair, on the question of information that you have just been raising, one item that universities aren't required to disclose internally or externally but which would be of extreme interest to the community externally and the colleagues internally is this: Put a ratio of the proportion of hours paid to people with academic titles and relate that to the number of hours relieved from teaching on account of being a junior manager, a deputy dean or some other job, because this goes to the heart of the business and academic values not being compatible. As soon as you have a junior management role—in most Australian universities, the very first thing that is your reward is that you're relieved from some teaching. Then you get up to headship and you're not expected to teach at all. That's sort of topsy-turvy, I might suggest.

The CHAIR: You raised concerns about the prioritisation of commercial ventures by universities. Did any of you want to offer any further comments on that?

MANUEL GRAEBER: Naturally, universities are not companies. Putting education behind profit is obviously not in the public interest because the purpose of universities is different. That is the core of the problem. The whole sector, I think, needs a reset. Academics will naturally not be primarily profit oriented but education oriented. That is the basic Australian problem, I would say. Comparing Australia to five other countries where I've worked as an academic, it's an extreme outlier—very dangerous for society.

SHUMI AKHTAR: What I'll say is that commercialisation, in theory, may sound fine. But when it is used in a way that compromises the integrity and the critical thinking of our students, and the lifelong learning—quality education—then it has got a problem. This commercialisation is actually used in a way not to actually help our students in learning or teaching, or not even helping the academics to do the impactful research to address challenging societal questions. Because this commercialisation—the way they even do research or the way they even try to manufacture any teaching materials and so on and so forth—is all a quick fix. It has got no depth in knowledge, nor does it actually give the platform for students to query and to be more curious in their learning journey. Therefore, it is a bad idea—the commercialisation.

The CHAIR: We have reached the end of our time for today. We appreciate your submission and your enthusiasm to appear before the Committee today. We will get in touch with you if there's supplementary questions to be asked. We do have a short time frame for getting those back because of our reporting obligations.

(The witnesses withdrew.)

The Committee adjourned at 16:15.