

University Autonomy and University Funding

- **University Autonomy**
 - institutional equivalent of Academic Freedom
 - being **completely** in control of everything the University does
 - exercising independent control over the day-to-day operations and the curriculum
 - it is our **freedom-to-operate**
 - **...true University Autonomy really doesn't exist...**
- **We do the best we can to navigate a spider's web of constraints to optimise autonomy**

Limits to University autonomy

3 broad categories which restrict University autonomy and drive University behaviour

1. Financial constraints
2. Legal and Governance constraints
3. Community and Societal constraints

- **Financial constraints**

- almost all public and private funding comes with some strings and conditions attached
 - incentives and disincentives: carrots and sticks
- targeted grants, fees, loans and student aid, subsidies to specific groups or disciplines
 - the promise of resource allocation

Limits to University autonomy

- **Legal constraints**

- the university governance framework
 - universities in Australia have the “unique” position that they are governed under state law but most government funding comes from the commonwealth
- Rules around who elects/selects the key decision makers
 -this determines who sets and drives the University agenda
 - determines who sets the University’s policies
- “sovereign risk” – government policy
 - links to international countries (China), Defence Trade Controls, working with stem cells and genetic material, WHS legislation

Limits to University autonomy

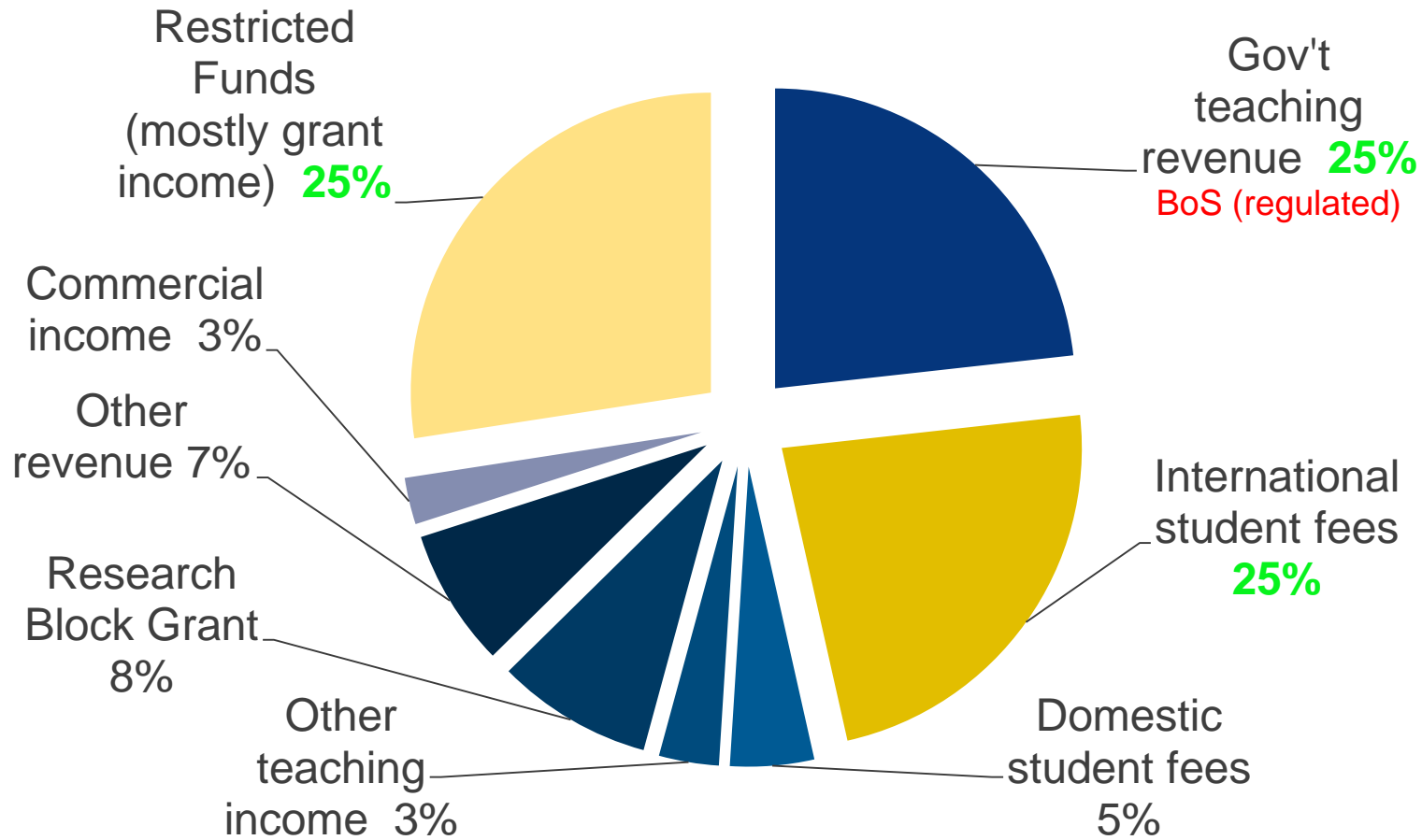
- **Community or societal constraints and expectations**
 - societal licence to operate
 - expectation of moral and ethical behaviour
 - responsible use of tax-payer \$'s
 - free speech – who or what carries the University's explicit or implied imprimatur
 - what should (or shouldn't) be taught in the curriculum
 - what research areas are (or aren't) socially acceptable
 - should we accept support from the tobacco industry? or be engaged with the fossil fuel industry? Or
 - diversity and who should (or shouldn't) be employed or enrolled

University Autonomy and University Funding

- **...University Autonomy really doesn't exist**
 - but we should fight for the right to make our own decisions around how we should operate
 - call out and expose those restrictions which are unreasonable
 - be responsible and accountable for the decisions that we do make

Funding

- Annual Budget > \$2bn (pre-COVID)
- In round terms - the approximate income breakdown:



Funding

- Essentially no direct financial support from the State
- Non-restricted funds (about 75% of the budget)
 - salaries, buildings and infrastructure, services, maintenance, strategic investment
- Non-restricted funds are never allocated as they are earned
 - there is no such thing as “\$ memory”
 - funding mostly drops into to “**consolidated revenue**” and is allocated according to a budget process
- Most of the government support in Australia is driven by student numbers (EFTSL)
 - smaller research-inactive universities receive funding at exactly the same rate as larger Go8 Universities

Research Funding



- Research is never fully funded
 - It costs more than \$1000 of additional \$'s to undertake research associated with a grant of \$1000
- At least for the big Go8 universities, the shortfall has mainly been met by revenue from international student fees
 - *“we've had a distorted funding model ... we cannot rely on external international fee income to fund our research in this country, so now **we have to have the really challenging discussion about how we fund research.**” Vicky Thompson Go8*

Research Funding

- The Go8 would be much better off if the Government funded Teaching and Research separately
 - so that support is driven by teaching numbers as well as by research performance/intensity indicators
- The Go8 would be much better off if the Government differentiated the sector
 - recognise that all Universities are not equal
 - not all Universities should have the same “mission”
 - Universities should be supported to meet their respective missions
- The debate should be what do we actually want our Universities to do and then resource them properly to do it