

### **The NTEU and Its Members**

The NTEU represents nearly 30,000 members working in higher education across Australia. In Queensland we represent nearly 4,000 members at Branches at the 7 major public universities, and also the Queensland campus of ACU. We also have members at numerous private provides such as Bond University and Navitas. We cover VET staff at CQU.

NTEU is a highly democratic union with elected Branch Committees at each Branch responsible for the day-to-day decision-making. I am the elected Secretary for the Queensland Division, and we have 14 organising and industrial staff assisting members with campaigns and industrial issues.

We are parties to and enforce enterprise agreements at all the major public universities. We currently have 5 Enterprise Agreements in Queensland that have passed their nominal expiry date of 30 June 2021 and are actively bargaining at 2 institutions, Central Queensland University and the University of Queensland, and preparing to bargain at James Cook University, Griffith University and the University of Southern Queensland. Management at CQU are citing financial hardship to justify their proposal to freeze staff salaries for the next two years and remove one week of annual leave entitlements from all staff, amongst a range of proposals that would diminish staff conditions significantly.

### **Tertiary Education – A Sector in Crisis**

The higher education sector in which the members of the NTEU work is in crisis. The crisis stems from three key factors:

1. chronic underfunding of public higher education, particularly research, over at least the past two decades on the part of federal governments of both political persuasions (noting that the ALP has only been in government for six out of the last 25 years); and
2. the prioritisation of rankings, reputation and prestige in spending choices by Vice-Chancellors and Executives of Australia's public universities, leading to an overinvestment in research at the expense of teaching, and infrastructure (impressive shiny buildings that can be named after VCs/donors) over staff; and
3. the conscious decision of university managements to fund the difference between federal government funding and what they want to spend via mass casualisation of their workforce, a transfer from teaching income to research, and a risky over-reliance on international student income.

The crisis has been exacerbated and laid bare by the loss of international student revenue due to Covid-19. However, the underlying crisis of funding has always been apparent to the staff that work in higher education, particularly the staff in the less

prestigious and profitable disciplines. Workers in higher education have borne the brunt of the pandemic through loss of work (precarious workers) and retrenchments and redundancies (ongoing staff). The impact on already overfull workloads has led to stress, anxiety, toxic workplaces, and ill health. The sector and staff are at breaking point.

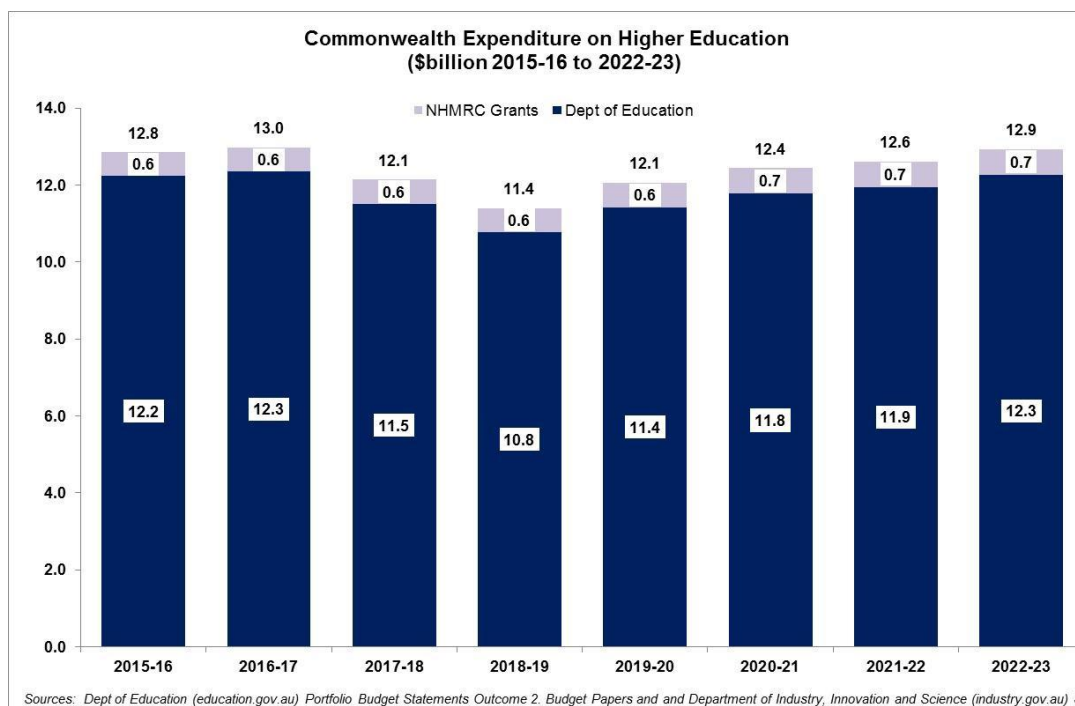
### Chronic Federal Government Underfunding

The following is an extract from the NTEU National Policy and Research Unit’s 2020-21 Pre-Budget Submission:

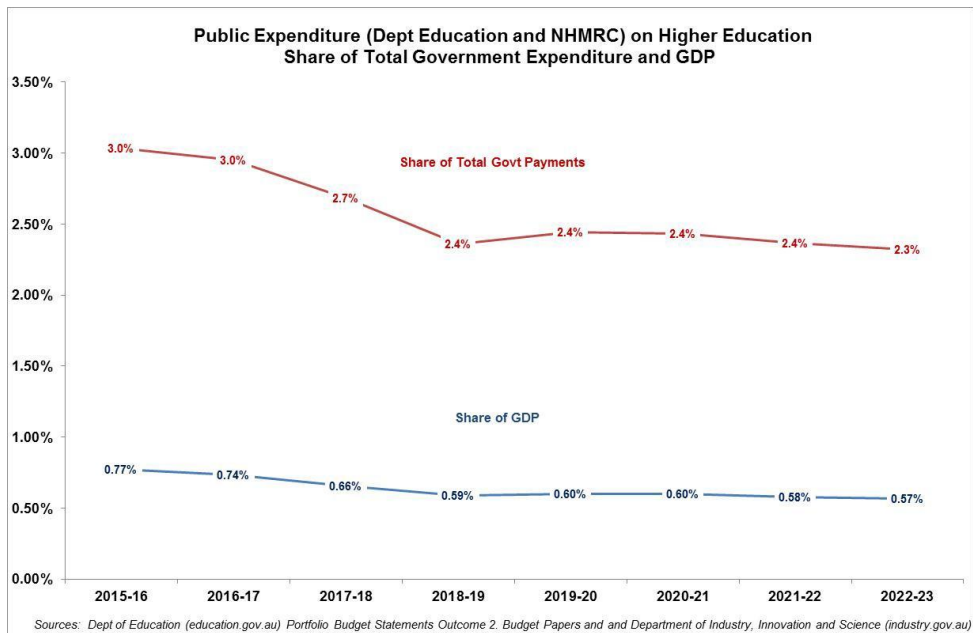
“Figure 1 shows the total level of Commonwealth spending on higher education, which is broken down by total Department of Education expenditure (actual and forecast ) which is from the Department’s [Budget Portfolio Statements](#) for Outcome 2 (but excludes the Skills component) as well as the level of NHRMC grants awarded to universities as reported in the Department of Industry, Innovation and Science – [Science Research and Innovation \(SRI\) tables](#).

Figure 1 shows the extent to which our universities have been affected by recent public funding cuts, with the total level of public spending falling from about \$12.8 billion in 2015-16 to \$11.4 billion in 2018-19. For a more detailed analysis of these recent trends please refer to NTEU’s [2019-20 Pre-Budget Submission](#) which includes a detailed analysis of funding including significant cuts to research funding. While the level of funding in nominal terms is forecast to increase slightly over the next two to three years, this is not the case when examining the level of funding when expressed as a share of total government spending or GDP as shown in Figure 2.”

**Figure 1**

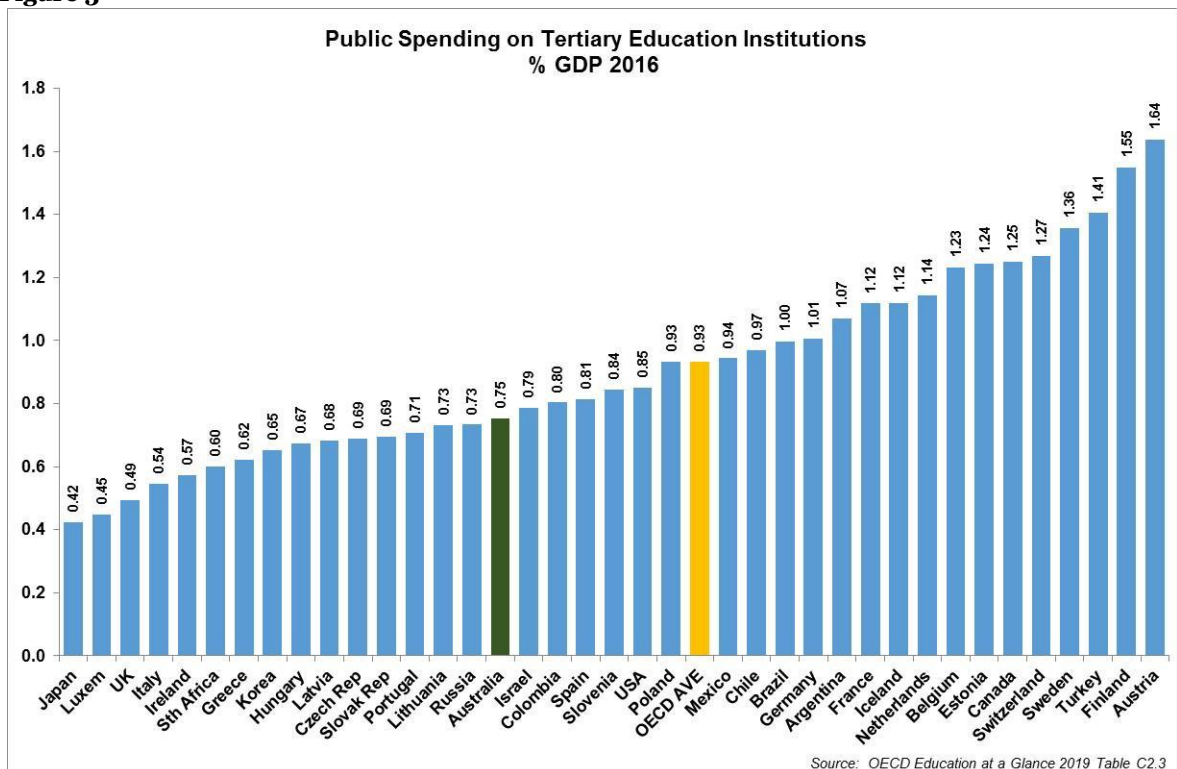


**Figure 2**



“From the NTEU’s perspective the downward trajectory of higher education spending both as a share of total government spending and as a share of total national income (GDP) is an indication of the lack of government commitment to supporting and maintaining a world class higher education system. This lack of commitment looks even worse when you consider that Australia already has one of the lowest levels of public investment in tertiary education in the developed world. As the data in Figure 3 shows, Australia’s level of public investment in tertiary education (0.75% of GDP in 2016) is amongst the lowest in the OECD and well below the OECD average (0.93% of GDP).”

**Figure 3**



The same report demonstrates that increasing the level of public investment in our universities to just 1% of GDP would allow for:

- “the elimination of student contributions (tuition fees) for domestic undergraduate students,
- a much needed 10% increase in the level of public funding per government supported student or Commonwealth Supported Place (CSP), and
- a number of other important policy issues to be addressed including inadequate research and research training funding and the participation of underrepresented students such as Indigenous students and from regional and remote areas.”

Under the LNP the future is not one of increased funding for Tertiary Education. The NTEU Policy and Research Unit’s paper *2021-2022 Federal Budget: Summary of Major Budget Initiatives* notes that Budget Table 6.7 on education expenses shows the decline in higher education and vocational education funding across the forward estimates. It shows federal funding for universities will drop by \$741m this financial year, from \$11.37billion in 2020-21 to \$10.63billion in 2021-22, with a further \$387m reduction to \$10.2 billion the following year, before slightly rising to \$10.339billion in 2024-25. Vocational education suffers a similar drop.

**Table 6.7: Summary of expenses — education**

Sub-function	Estimates				
	2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m
Higher education	11,369	10,628	10,241	10,200	10,339
Vocational and other education	2,224	2,022	1,805	1,622	1,644
Schools	22,061	24,437	25,933	27,202	28,199
<i>Non-government schools</i>	13,010	14,710	15,509	16,200	16,752
<i>Government schools</i>	9,052	9,727	10,423	11,002	11,447
School education — specific funding	705	744	679	702	690
Student assistance	5,953	4,686	4,570	4,646	4,882
General administration	292	282	268	255	256
<b>Total education</b>	<b>42,604</b>	<b>42,799</b>	<b>43,496</b>	<b>44,626</b>	<b>46,010</b>

Research funding is another significant problem. Over time the focus of funding has changed from block grants to funding through the ARC and the NHMRC. These funds are then allocated on a bidding basis with universities and individual academics applying for grants to fund particular projects. However, when granting funding, the granting bodies do not cover the full cost of the research that they approve and the university has to find the balance from other sources, typically the teaching and learning budget. One Dean of biomed sciences estimated that ARC and NHMRC grants typically cover only about half the full costs of hiring highly skilled, PhD-trained, early career research (ECR) staff representing Australia’s next

generation of scientists<sup>1</sup>. This means that other income subsidises the research the universities undertake, often in the pursuit of higher world university rankings.

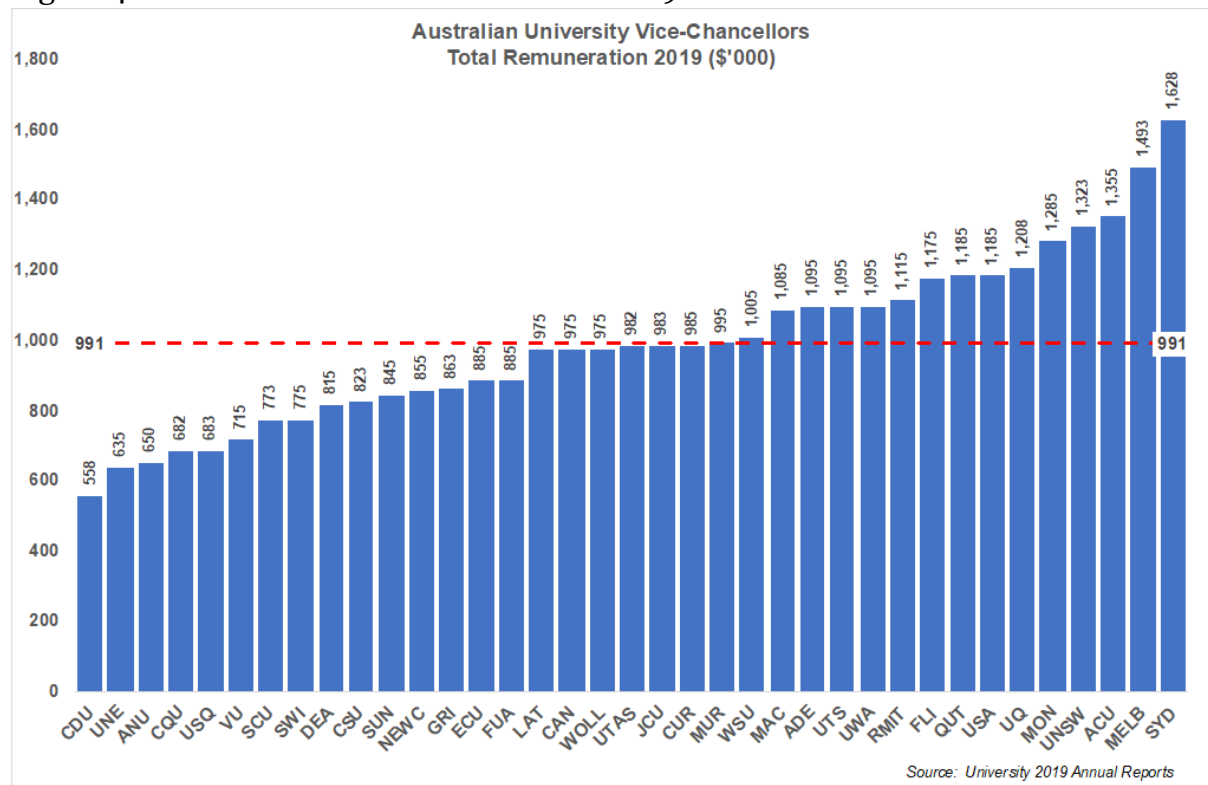
### University Management Priorities

University Annual Reports provide evidence of the priorities of university executives. They prioritise fancy infrastructure, research and executive salaries ahead of staff and teaching and learning.

For example, on the prioritisation of capital works, the University of Queensland spent \$192M (down from \$312M in 2019) on capital works in 2020 at the same time as they spent a further \$67.4M on 336 voluntary separations<sup>2</sup>. This was during a global pandemic where buildings, classrooms and offices were used less than ever and there was a massive amount of new work to be done in shifting the vast majority of teaching delivery from face-to-face mode to online.

Another skewed priority of university executives is their own salaries. The Vice-Chancellor of QUT had a remuneration package of \$1.2 Million in 2019. As Figure 4 shows they were not the highest paid VC in the country.

Figure 4 – Vice Chancellors remuneration 2019



The Vice-Chancellors are not the only university executives to receive massive salaries. There has been a proliferation of Pro-Vice Chancellors, Deputy Vice-Chancellors and Provosts earning three, four and five hundred-thousand-dollar

<sup>1</sup> <https://www.afr.com/work-and-careers/education/government-must-act-on-uni-research-shortfall-20200812-p55kxn>

<sup>2</sup> UQ 2020 Annual Report

salaries. The Executive at UQ in 2020 earned a combined \$6.7 Million, while even a much smaller institution, James Cook University paid its executive a combined \$3.9 Million in 2019.

Pre-pandemic, at most universities, the Employee Expenses share of total operating expenses has been on a downward trajectory for many years. For example, at James Cook University, Employee Expenses as a proportion of Total Operating Expenses were an already low 54.3% in 2013 and had declined to 51.2% in 2019<sup>3</sup>. This means university managements are spending up to nearly half of all their expenditure on things other than staff, affecting the quality of teaching and learning.

The University of the Sunshine Coast has announced to staff and students, without genuine consultation, that from 2022 there will be no more lectures, either face to face or recorded and that all courses will be taught through the provision of “learning materials” online. This is a much cheaper form of delivery for the university, but has led to a backlash from staff and students who object to the announcement that “the traditional style lectures have been demonstrated to have poor learning outcomes whether they are conducted face to face in a lecture theatre or recorded from a desktop.” Staff are also angry as they know that this statement is based on a very selective reading of the literature and that there are subjects and materials that are best taught through a more traditional style.

### **Consequences**

This poses the question as to how university management have funded their priorities in an environment of chronic government underfunding. There have been two principal mechanisms: casualisation and international student fee income.

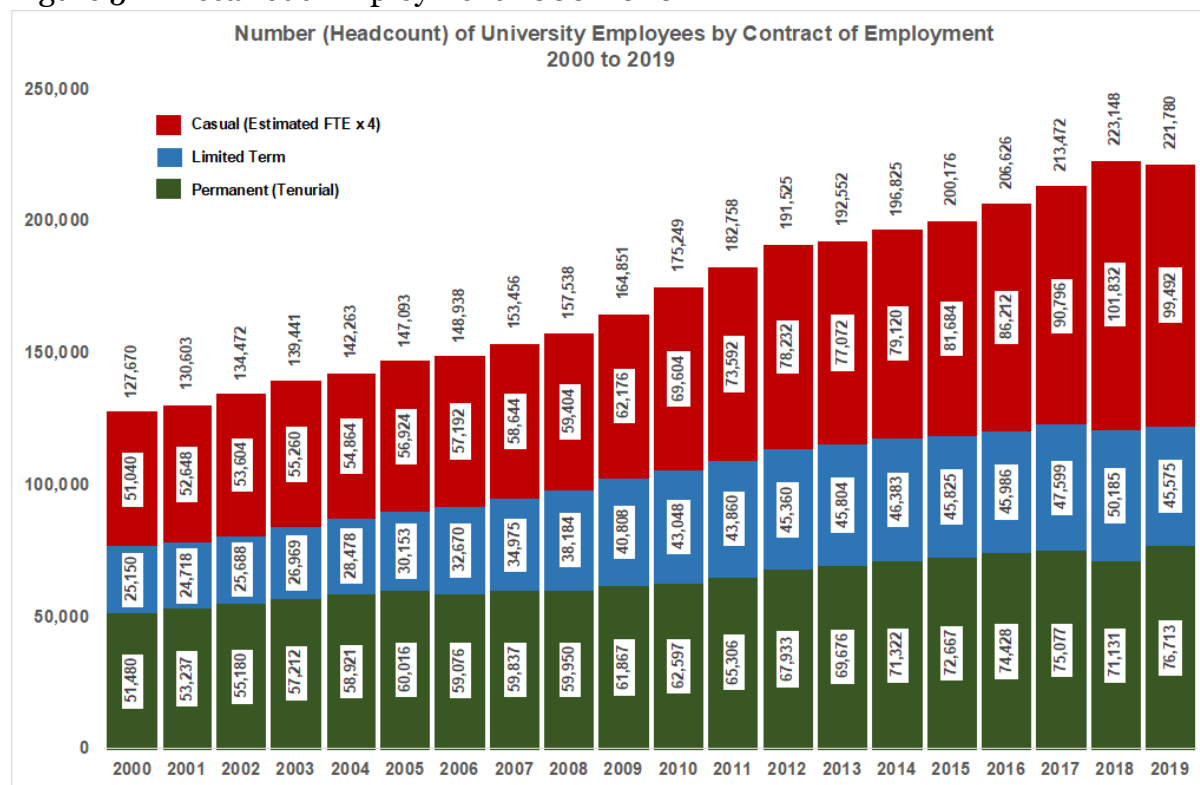
#### Casualisation

Figure 5 shows the levels of casualisation that has been caused by underfunding and university managements’ priorities. Casual and fixed-term staff are much cheaper, easier to manage and easier to get rid of (and therefore easier to exploit). Casual academic staff are routinely not remunerated for much of the work they are required to perform to do a good job, and if perceived by management not to meet expectations they are replaced at will. Fixed-term staff will perform untold hours of unpaid work in order to maximise their chances of receiving a new contract when their current one expires.

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<sup>3</sup> JCU Annual Reports 2019 and 2014

Figure 5 – Precarious Employment 2000-2020



Disturbingly, one of the key findings of the recently-released Centre for Future Work’s report, *An Avoidable Catastrophe: Pandemic Job Losses in Higher Education and their Consequences*<sup>4</sup>, on the impact of the Covid-19 pandemic was that it was precarious workers who bore the brunt of the initial job losses. However, of the 35,000 job losses in public universities in the 12 months to May 2021, it has predominantly been staff with ongoing positions that have been offered voluntary separations or made redundant. This demonstrates that university managements are trying to hold onto their casualised employment models.

### Reliance on International Students and Other Income

The other main consequence of chronic underfunding of tertiary education has been the development of a risky over-reliance on international student fees. In 2018, 26.3% of all university income was from international students. Figure 6 below shows the numbers of international students at selected institutions.

University managements have invested significantly in securing funding from private philanthropists and private commercial partners. These relationships have the ability to compromise important fundamental underpinnings of the public university system such as institutional autonomy and academic freedom. For example, the University of Queensland recently entered into a Philanthropic Agreement with the Ramsay Centre to create a ‘Centre for Western Civilisation’ to teach a particular

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[https://d3n8a8pro7vhm.cloudfront.net/theausinstitute/pages/3830/attachments/original/1631479548/An\\_Avoidable\\_Catastrophe\\_FINAL.pdf?1631479548](https://d3n8a8pro7vhm.cloudfront.net/theausinstitute/pages/3830/attachments/original/1631479548/An_Avoidable_Catastrophe_FINAL.pdf?1631479548)

curriculum, with oversight by the Ramsay Centre. Staff and students protested against the loss of institutional autonomy and the implications for academic freedom, to no avail.

Figure 6 – International Student Numbers 2018

State	Australian University	Domestic	Overseas	Total	% of international students
ACT	Australian National University	15,820	10,575	26,395	40.10%
NSW	University of New South Wales	39,312	23,114	62,426	37.00%
NSW	University of Sydney	40,777	26,041	66,818	39.00%
NSW	University of Technology Sydney	30,745	15,257	46,002	33.20%
NSW	University of Wollongong	19,249	15,079	34,328	43.90%
QLD	Central Queensland University	17,589	7,517	25,106	29.90%
QLD	James Cook University	14,680	6,123	20,803	29.40%
QLD	University of Queensland	35,648	18,055	53,703	33.60%
SA	University of Adelaide	19,072	7,839	26,911	29.10%
VIC	Federation University Australia	8,656	8,930	17,586	50.80%
VIC	Monash University	45,183	38,295	83,478	45.90%
VIC	RMIT University	37,734	31,552	69,286	45.50%
VIC	University of Melbourne	41,516	26,568	68,084	39.00%
VIC	Victoria University	16,158	11,058	27,216	40.60%
WA	Murdoch University	15,021	9,101	24,122	37.70%
WA	University of Western Australia	19,075	5,389	24,464	22.00%

Source: Department of Education, Skills and Employment - Higher Education Statistics Data Cube, 2018

## Conclusion

The higher education sector was chronically underfunded well before Covid-19 precipitated a crisis. Until 2020, university managements had used the revenue from international students and exploitation of a precarious workforce (along with untold billions of dollars' worth of unpaid overtime from their more 'securely-employed' ongoing staff) to paper over the cracks of a broken system.

The impact of Covid-19 has been terrible for staff and students in the sector. The active measures taken by the Morrison government to exclude public universities from access to the Jobkeeper wage subsidy program demonstrated the antipathy of the LNP towards the sector. The federal government chose this time to reduce government funding for Commonwealth Supported Places through the ideologically slanted Jobs Ready Graduates Bill, which led to an average 15% cut in public funding per student.

Funding universities properly in and of itself is the first critical step to a comprehensive quality, free tertiary education sector based on secure jobs and healthy workplaces. It is also a critical investment in the recovery of society in the wake of a global pandemic. An increase from 0.7% of GDP to the OECD average of 1.0% of GDP would begin to alleviate the chronic underfunding that has plagued tertiary education for decades. Re-thinking the commitment of billions of dollars to



the alliance with the United States , including the recent AUKUS developments which have thrown away further billions of dollars, could allow the government to fully fund the sector.

While the reversal of chronic underfunding is the fundamental prerequisite to a better tertiary education sector, it is insufficient. Such a change would need to be coupled with regulation of university managements to change outcomes for staff and students. University managements must be prevented from casualising their workforce, from transferring funds for teaching and learning to research to improve 'rankings', and from grossly unnecessary expenditure on capital and executive salaries.

Michael McNally  
**Secretary**  
NTEU Queensland

30 September 2021