

UNIVERSITY GOVERNANCE FACT SHEET¹

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Up until the COVID outbreak, the total revenue of Australia's universities had grown by 85% over the last decade, most of which was derived from growth in international student numbers.

In 2016-17, higher education providers generated \$38 billion in revenue, equivalent to around 2% of GDP. More than 80% of this revenue was derived from public universities, and almost 25% of the total came from international student fees.²

International student fees were worth \$9.3 billion in 2017,³ making higher education Australia's third-largest export, second only to coal and iron ore.

The total government expenditure on higher education in 2017-18 was \$13.86 billion.⁴ This constitutes around 35% of total revenue for the sector. In the same financial year, government research-grant funding totalled \$3.77 billion.⁵

On average, around 58% of the education fees of students in Commonwealth-supported places are paid by the Australian Government,⁶ totalling \$10 billion in 2017-18.⁷

In 2018, there were 1,562,520 students enrolled in tertiary education throughout Australia. Of these, 1,082,410 were domestic, and 480,110 were international.⁸

The total number of students enrolled in tertiary education has more than tripled over the past three decades since the so-called Dawkins Reforms of 1989. However, there has been an almost twenty-fold increase in international student numbers over the same period. In 1990, Australian universities educated 24,998 international students out of a total cohort of 485,066 students throughout the nation.

¹ Unless otherwise referenced, the sources of these statistics are universities' 2018 annual reports and the following articles based on those reports: <https://www.education.gov.au/selected-higher-education-statistics-2018-student-data>; <https://www.michaelwest.com.au/big-eight-university-vice-chancellors-overpaid-and-under-prepped-cut-jobs/>; <https://www.michaelwest.com.au/overpaid-university-bosses-cry-poor-as-their-foreign-student-riches-evaporate/>; <https://www.timeshighereducation.com/news/more-australian-vice-chancellors-earning-a1-million>; <https://www.michaelwest.com.au/university-of-wollongong-six-weeks-away-from-disaster/>

² <https://grattan.edu.au/report/mapping-australian-higher-education-2018/>

³ <https://grattan.edu.au/report/mapping-australian-higher-education-2018/>

⁴ <https://grattan.edu.au/report/mapping-australian-higher-education-2018/>

⁵ <https://grattan.edu.au/report/mapping-australian-higher-education-2018/>

⁶ <https://www.abc.net.au/news/2017-06-14/fact-check-do-taxpayers-subsidise-over-half-higher-education/8605406>

⁷ <https://grattan.edu.au/report/mapping-australian-higher-education-2018/>

⁸ <http://highereducationstatistics.education.gov.au/>

In 1990, international students comprised 5% of the total tertiary cohort. In 2018, 30% of all tertiary students were international students, and 40% of those students were Chinese nationals. In 2017, there were around 120,000 Chinese students studying in Australia.

In Victoria in 2018, 40% of all students were international, revealing the vulnerability of these universities to a revenue shock, and the reliance of Victorian universities on international student revenue.

In New South Wales in 2018, 30% of all students were international. Both Western Australia and South Australia had around 26% international student enrolment. Queensland and Tasmania had the lowest proportions of international students of all the states, at 23% and 20%, respectively. The Northern Territory had 17% international students, and the ACT, 32%.

Total revenue of up to \$6 billion is predicted by Universities Australia to disappear from the sector in 2020 due to a loss of international student revenue resulting from COVID. This amounts to a decrease in revenue of around 30% across the sector as a result of no Federal Government support.

In 2019, 3.2 million working age Australians were engaged in some form of study. Three in five of those people were also employed.⁹

Considering the very significant contribution to the Australian economy made by the tertiary sector, the current Commonwealth funding arrangements are not sustainable. Students from NESB backgrounds are one group that has been disadvantaged by federal funding cuts to tertiary education since the Coalition came to power federally.¹⁰

Student Enrolment by Broad Field of Education

By far the most popular fields of study for tertiary students remain Management and Commerce (396,813 enrolled in 2018) and Society and Culture (326,071 enrolled in 2018). The next most popular three categories in 2018 were Health (256,324), Natural and Physical Sciences (129,609), and Engineering and Related Technologies (119,209).¹¹

The relative popularity of these fields of study is not, however, reflected in the priorities given by university management to the different fields with respect to funding and resource allocation. The humanities and social sciences have been consistently underfunded and targeted for full-time job cuts, subject and course deletions, and casualization since the process of neoliberalization of the tertiary sector began in 1989 under the Hawke-Keating Government.

⁹ <https://beta.abs.gov.au/statistics/people/education/education-and-work-australia/2019>

¹⁰ <https://app.powerbi.com/view?r=eyJrIjoiMWExZWZmZDktODBiNS00NzA3LWJkOTgtN2ZkOTA3NzhiNThtmlwiZC6lMkMGNmZDE1LTQ1NTgtNGlxMi04YmFkLWVhMjY5ODRmYzQxNyJ9>

¹¹ <https://app.powerbi.com/view?r=eyJrIjoiMWExZWZmZDktODBiNS00NzA3LWJkOTgtN2ZkOTA3NzhiNThtmlwiZC6lMkMGNmZDE1LTQ1NTgtNGlxMi04YmFkLWVhMjY5ODRmYzQxNyJ9>

Student Fees

Contrary to claims by Prime Minister Scott Morrison when Treasurer in 2017 that taxpayers “subsidise more than half the cost of each student’s higher education”, undergraduate students in business, economics and law pay more than 80% of their course fees. The majority of postgraduate students also pay their full course fees, as do most students who enrolled at non-university tertiary institutions.¹²

In 2016/17, the Commonwealth contributed almost \$7 billion in taxpayer funds to the sector through the Commonwealth Grant Scheme, which is by far the largest single source of federal funding for the sector. Around \$4.5 billion was contributed privately via HECS-HELP and upfront student contributions. In 2019, the total contribution had risen to \$8.5 billion.

International Student Revenue

2010 \$4.7 billion¹³

2018 \$9 billion¹⁴

2010-19 Monash, Sydney and UNSW doubled revenue from international students.

2018 UNSW \$714 million (40% from China)

2019 Sydney University \$1 billion

2019 Monash University \$1.13 billion

The universities of Wollongong, Adelaide and Western Australia received somewhat less than \$300 million each in 2019.

2018 Universities of Sydney & Melbourne received 34% of annual revenues from international students.

¹² <https://www.abc.net.au/news/2017-06-14/fact-check-do-taxpayers-subsidise-over-half-higher-education/8605406>

¹³ <https://theconversation.com/australian-universities-could-lose-19-billion-in-the-next-3-years-our-economy-will-suffer-with-them-136251>

¹⁴ <https://theconversation.com/australian-universities-could-lose-19-billion-in-the-next-3-years-our-economy-will-suffer-with-them-136251>

Executive Salaries (2010-2019)

Monash University: total executive salaries increased, \$3 m to \$11.4 m (275% increase).
Melbourne & Sydney: total executive salaries increased less than 5%
UNSW: total executive salaries decreased by 4%.
Top ten executives at University of Melbourne receive \$7.5 million.

Vice-Chancellor Salaries

2010-2019 53% increase sector-wide overall; 50% overall at UoW.

In 2018, average VC salaries were just under \$1 million. UK average in 2018 was £299,000.
Cambridge University's Stephen Toope received £431,000 in 2018.

UK VCs earn around 55% of Australian VC salaries, demonstrating "international market" justification is dubious. About half of Australia's 22 overseas-born VCs come from the UK.

In 2018, VC salaries increased by 5.1%, compared to the Australian mean of 2.3%. Sixteen of the 37 Australian VCs earned more than \$1 million in the same year.

2018 Australian University VC Salaries

University of Sydney	Michael Spence	\$1.6 m	
University of Melbourne	Duncan Maskell	\$1.59 m	
UNSW	Ian Jacobs	\$1.29 m	
Monash University	Margaret Gardner	\$1.29 m	
University of Queensland	Peter Hoj	\$1.2 m	
University of Adelaide	Peter Rathjen	\$1.18 m	
University of Western Aust	Dawn Freshwater	\$1.1 m	
ANU	Brian Schmidt	\$675,500	
Australian Catholic Univ	Greg Craven	\$1.25 m	
Deakin University	Jane den Hollander	\$1.1 m	
RMIT University	Martin Bean	\$1.1 m	
UTS Sydney	Attila Brugs	\$1.1 m	
University of Newcastle	Caroline McMillen	\$1.04 m	
University of Tasmania	Rufus Black	\$1.03 m	
Macquarie University	Bruce Dowton	\$1.02 m	
University of Wollongong	Paul Wellings	\$935,000	(2020 - \$976,000)

2018 Salaries of CEOs of other Australian Not-for-Profit Organisations

Red Cross Australia	Judy Slatyer	\$350,000
World Vision Australia	Claire Rogers	\$400,000

Consultants & Contractors 2018-19

University of Melbourne	\$290 m
UNSW	\$192 m (\$25 m to PwC)
University of Sydney ¹⁵	\$166.7 m
University of Wollongong	\$30 m

Marketing & Promotion Expenditure 2017

Total of \$622 million spent by all Australian universities in 2017.

Western Sydney University \$10 m for name change from University of Western Sydney

Property, Plant & Equipment 2018-19

University of Wollongong	\$175 m (total expend. 2018-19)
UoW Molecular Horizons	\$80 m (completed in 2020)
UoW Health & Wellbeing Precinct	\$44 m (construction due to commence in 2022) ¹⁶
UoW Innovation	“a \$600 million precinct” ¹⁷
UoW Early Start Research Institute	
UoW SMART Infrastructure Facility	
UoW ARC Centre of Excellence for Biodiversity & Heritage	
UoW Australian National Centre for Ocean Resources & Security	

UoW has campuses in Australia, Dubai, China, Hong Kong, Malaysia, Singapore.

¹⁵ Expenditure breakdown - Big Four: \$25.2 m; Recruitment & Labour Hire: \$32.8 m; Labour & Services: \$45.8 m

¹⁶ <https://ucc.edu.au/university-of-wollongong>

¹⁷ <https://ucc.edu.au/university-of-wollongong>