

# PUBLIC

## THE LEGISLATIVE COUNCIL SELECT COMMITTEE MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON THURSDAY, 2 MARCH 2023

### INQUIRY INTO THE PROVISIONS OF THE UNIVERSITY OF TASMANIA PROVISIONS ACT 1992

**The Committee resumed at 9.00 a.m.**

**CHAIR** - Good morning everybody, welcome back, to those also who are tuning in today across the airways. We are continuing the terms of reference three, the Inquiry into the Provisions of the University of Tasmania Act 1992.

Just to commence the day, I want to acknowledge that we meet today on Tasmanian Aboriginal land. We acknowledge and pay respect to the Tasmanian Aboriginal people and Elders past and present. We recognise them as the traditional and original owners and the continuing custodians of this land.

We finished yesterday when I was asking for detail on the creation date of the conflict of interest.

**Prof BLACK** - The current conflict of interest procedure was in its current form in 2017. All our policies were renewed as part of a complete review of our policy architecture, where we substantially improved the transparency effectiveness of those policies over the last couple of years. They now all align with TEQSA's higher education standards, the basic framework. They were reduced in order to make them visible and easy for people to access. They were reduced from literally hundreds down to a policy suite of 30 policies, principles-based policies that were easily accessible, publicly available and each of those supported by our procedures.

Our conflict policy is in our compliance policies, which 5(3), item 2, conflicts of interest. It is short and a very clear principles-based policy:

- 2.1: All conflicts of interest and potential of conflicts of interests must be identified, disclosed, monitored, and effectively managed.
- 2.2: Relevant members of the University Community will make declarations at least annually and other times where there is a material change in private interests that may give rise to an actual, potential, or perceived conflicts of interest and manage the conflicts of interest arising from those interests.

That policy is then supported by a quite substantial procedure that sets out the details by which that all happens. Again, that is a publicly available procedure and you can see on our site where all those documents are.

**CHAIR** - Thank you for that. I will hand to Meg for further questions.

**Ms WEBB** - I wanted to start off to try to clarify something, because I realised as I was reviewing things that it was not entirely clear to me. In the submissions from UTAS and in some of the hearing's discussion, we have had some quotes of statistics to do with the student

## PUBLIC

body, to do with average age and commencing students. I wanted to clarify some of that so we are all really clear on it and know how to interpret that a bit better.

As well as the average age, do you have the median age of the UTAS students?

**Ms WATKINS** - No, but we could I am sure find out and follow up.

**Ms WEBB** - I would be interested to know that so I could understand the import of the average number against the median age number, if that is available. You do that across colleges and schools? Do you have an average age or have the stats related to age across as a breakdown?

**Prof BLACK** - Not that we generally use in reporting, but we can certainly obtain it for you.

**Ms WEBB** - I would be interested to see that.

I am particularly interested in, in terms of those age statistics, either average and median age, is that available for local Tasmanian enrolments as opposed to non-Tasmanian enrolments?

**Prof BLACK** - We can certainly obtain that information.

**Ms WEBB** - Excellent. To understand the term 'commencing students', is that undergraduates commencing the beginning of their course?

**Prof BLACK** - That is any new student commencing their course.

**Ms WEBB** - Any new student commencing. It could be postgraduate level or an undergraduate?

**Prof BLACK** - Yes, but particularly pathways students, the full range of different kinds of qualifications we have. It represents those people beginning their qualification.

**Ms WEBB** - I am trying to understand the use of age as a commentary point. Is it available to get undergraduate versus postgraduate age demographics in terms of average and median?

**Prof BLACK** - If you were to provide us with the details you want, then I am sure we can provide it.

**Ms WEBB** - Great. You would understand because there was some media reporting about falling local enrolments of recent times. I am trying to understand what our local enrolment cohort looks like. The reporting was a 12 per cent drop this year. I know we are especially focused on local enrolment post-COVID-19, is that something you can provide some commentary on or you would like to clarify?

**Ms WATKINS** - We discussed this at our council meeting last week, we saw the same commentary and obviously, enrolments is something that council is very focused on. The vice-

## PUBLIC

chancellor actually provided some excellent broader context from the Universities Australia conference he had just been to in the prior week. I am sure he could elaborate on that.

**Ms WEBB** - Just briefly, if you wanted to talk about recognising what those factors might have been.

**Prof BLACK** - Yes, so, an important feature of higher education enrolments is that we work cyclically with our economy. You might think it paradoxical, but during the pandemic, enrolments all around the country, including here, went up significantly. We did an awful lot to actually provide a set of offerings that were really helpful to Tasmanians during that time to enable them to reskill workers. For example, we worked in partnership with the tourism industry to be able to provide the skills to make upgrades, so when the economy opened up again, they would be prepared. You see a big increase during that time, when people are out of work, they will often turn to education.

Converse of that is when you get a very full employment economy, then you get people focusing on work because that is the best opportunity available to them. That tends to be particularly true in our regional type of economy. All around the country we see at the moment nearly identical patterns to the ones we have here, which is of people choosing to go into employment rather than education. Our numbers are very similar to the numbers that others are speaking of in regional settings.

We are really reflecting on that as a cyclical pattern. The dynamic that is occurring is, as that happens right around the country, those in the larger, leading, metropolitan universities, have then made very strong offers into regional areas in order to get their numbers up, which has slightly exaggerated the problem right across regional Australia. For example, some dropped their ATARs in order to get people from outside their normal catchment.

It is a really important dynamic for Australia to be wrestling with, because what it is really doing, we are really in a thoroughly national higher education market. We have been that way for a while, but it has really gotten to a next level at this point. Those economic factors, the competition we have now and Tasmania is very much a part of that and that is a really important piece for us to be aware of. As in every other part of Australia, there is a very significant number of people who very appropriately are asking, what is the university of choice for me?

Just as we had more Tasmanians who may be choosing elsewhere, we have lots more people in the rest of Australia choosing to come here. That is really a move into a national higher education market we are now thoroughly in.

In some ways, that is really just Australia catching up with how higher education works in the United Kingdom, the United States and Canada where that has been the case for a very long time.

If you did not know about the local conversations and things that had happened, you would not pick the University of Tasmania out as different to what is going on in similar universities around the country.

**Ms WEBB** - There were not any local factors you think played into that, was anything different about the way we dealt with enrolments or administered them? Did we have any issues related that would have fed into the enrolments that came through the system?

**Prof BLACK** - Until you do a very careful survey after the enrolment period, you are never going to know in detail what all the different elements of student choice are, they are multiple and complex. At this stage, when you have all the large numbers, that is really all you can rely on. We always post enrolments, look through, and in any one year there may be something in an enrolment process that is a little different, and that can cause a challenge of one kind or another. You can have local issues. At the moment, the picture we see is one that is very similar to nationwide. However, post the kind of enrolment process, we always survey both the students who came and the ones who didn't and we find out the reasons.

When we've done that in the past, the single biggest reason why people don't come is financial barriers. This goes back to our conversation yesterday, about the real equity challenges that Tasmania faces in education. When we do those surveys, it is the cost of coming to university. This is where the social welfare conversation is so important. We do not have the kind of funding that enables students to be getting the transport they need, managing the basics of food and life when they have to be in employment and have to be in casualised jobs. They're the real challenges.

In the recent survey, we had up to three-quarters of the students who didn't come who were citing one form or another of financial reasons as the reason they didn't come. It's these deeper reasons, these profound, structural long-term reasons that are the big drivers. Yes, you can get little bits of noise around the margins, but it's these deep structural questions that are the really profound ones that we think, as a university, are what we should be devoting the maximum attention to.

**Ms WEBB** - So, there's nothing different about the way we administered enrolments that could have put a barrier up for people this year?

**Prof BLACK** - There's a slight change in the way enrolments - there's a thing called eCAF which students need to complete.

**CHAIR** - Sorry, eCAF?

**Prof BLACK** - It's where we capture an important part of the student information that goes to how they get funded, where there occurs in the process - it's quite a laborious process. We speculate, slightly, that the fact that we have to bring it further up the front end rather than the back end of the process may have slowed some students.

However, as I say, these are the things at the margins. The really big questions are these macro drivers. We will always look to make admissions and enrolment processes as streamlined and as simple as you can. No university anywhere doesn't think, 'here's the next thing I do to make that a bit easier and simpler', and we're no different to that.

What we have to keep coming back to is, what are the big drivers? The things that we really know are the deep structural questions? They're the things that are the critical ones. If we tackle them - and they're the focus for all of us, because this is a collective community challenge not just a university challenge. This is a collective challenge for us to tackle. That's really where we put particular focus.

## PUBLIC

**CHAIR** - In terms of our isolation as an island, do we have to do things differently to what they might do in major universities across Australia? Timing of offers, those sorts of things. Do we have to provide a different process to be able to deal with that, because of our isolation?

**Prof BLACK** - No, I think our isolation only increases the equity issues, which is not to do with any of those things; it's to do with the fact that there may be Tasmanians for whom a great choice in education is somewhere else, and they can't afford to go - whereas on the mainland, people can. Equally, there are equity challenges for people who might to come to the best, terrifically important thing that is available to them here.

Those cost barriers of being able to move to where the best education is for you, that's a very serious equity issue right around regional and rural Australia particularly. We do get students who come from very remote places in order to study our Bachelor of Marine and Antarctic Science, for example, and they go on to often make extraordinary contributions. However, we don't yet have a national system that enables people to be going to the place that best fulfils their potential. That's really the spot where we need to keep the conversation.

**CHAIR** - That is the one you point out, in terms of marine science and Antarctica. That is a significant area for the university. How do we maintain the specialties and the level of excellence in those high-performing areas, but at the same time, try to be all things to all people and get people into the university? How do you balance that, because there are defined resources and it is not an easy task?

**Prof BLACK** - The way we do that, in our areas of excellence, is to pursue absolute research excellence so that we can get additional funding for that research. We've had the most successful funding years we have ever had in the last few years, because those outstanding areas have been very competitive.

We're now the ninth in the nation, one place outside the so-called 'Group of Eight' in terms of research funding. That's the funding that enables the best kind of research to happen. As a university, while any research money we get, we usually have to add to, but it goes a long way to maintaining that excellence. That enables us to have the resources for what is a very high cost project is at the heart of our commitments - having a regional presence and a broad range of degrees.

Yesterday, Alison and I commented on the higher education funding challenge. Higher education funding is not designed for universities like ours. It is based on an average cost of student delivery which, in the end, is based on where the majority of the universities are - which are centralised locations in metropolitan areas. They are not required to have a breadth of degrees, or to have multiple locations, or to have a breadth of pathways programs.

We are - and that is why maintaining the financial management of the university like this is a unique challenge. It's why the kind of stewardship for now and the future that we talked about yesterday, in order to meet those needs of Tasmania, we have to be creative and skilful in attending to those matters so we can do all those things.

**CHAIR** - It takes me back to something I asked about university colleges, as we were talking about TAFE and any overlaps in those sorts of things. Given that we have these pods of excellence courses that are high profile, if we are getting into that space of the university

## PUBLIC

college, I am interested to know how that's performing. Have you any tabular information on that? How many staff were involved in that; any information on enrolments; information on those that complete their courses; the revenue; the cost splits?

**Prof BLACK** - I would be very happy to provide that. If I can make an observation about what this raises, because you touched on it yesterday as well, about TAFE. I noticed there were some folks who were saying we were getting into vocational education. That's not correct. University College does not do vocational education. It is providing associate degrees, they are degrees. We work in partnership with TAFE. We see the opportunity in Tasmania with a single university, a single public VET provider in TAFE - there are private providers, but a single state education system - to work together.

The Secretary of the Department for Education, Children and Youth, the Director of TAFE, and I meet regularly to talk about how we achieve better integration. Indeed, even before we had the secretary meeting, the head of TAFE and I met regularly with key people from our teams in order to design the better integration of our two worlds. Those have been very fruitful conversations. You might have noticed last year, a positive outworking of that was a set of arrangements we came to in the north-west, where we both have farm facilities, so that where our students need certificate level skills for some of their practical work we can get them into a TAFE environment, and for the research that goes on at our farm, to be used by TAFE students.

We are working very carefully with TAFE with that aspiration of how, for the good of Tasmania, do we have a single system. That's about how do we ensure we get the right credit arrangements so students completing TAFE courses get as much credit as is appropriate, and to enable them to pathway through - so, working together to create a single system. That is important because we have distinct and complementary functions in providing the total higher education offer. Those are explicitly, carefully, deeply thought about conversations about how we work together for the good of Tasmania.

**CHAIR** - I thought it was in relation to the Maritime College. I read it in one of your submissions about VET courses and that was sparked my interest.

**Prof BLACK** - Happy to deal with that piece, Rob. In the Maritime College, as part of the offerings that we are required to do, we provide a series, in that sense, of certificate offerings for specific maritime qualifications, where we are required to do that as part of the national arrangements. That is quite a distinct national project, rather than a strictly Tasmanian project.

**Ms WEBB** - In relation to that, in a ministerial portfolio sense, we split education from skills, training and workforce growth. That sits in the Department of State Growth whereas education sits in the Department for Education, Children and Youth. Do you have relationships and interaction with both those ministers in both those departments, in these conversations you are describing?

**Prof BLACK** - We work at the officials level. Government arranges things in varying and changing ways. The task at our officials level is to ensure the current system works and integrates well for the good of Tasmania. That is why the three lead officials for those entities meet together to ensure that integration occurs.

## PUBLIC

**Ms WEBB** - The Department for Education, Children and Youth and Department of State Growth, TAFE and you; those entities?

**Prof BLACK** - The Department for Education, Children and Youth, ourselves and TAFE - the heads of those entities meet. Government changes around ministerial arrangements, as it can and should. What matters at an institution level is, are the institutions that have to work as a single system engaging to ensure that we are doing all the work to get that design working well and right.

We saw yesterday, the advantages of that - the schools recommendation program. Again, that's what happens when we are working at officials level, to ensure that we get a better designed education system for meeting Tasmania's needs.

**Ms WEBB** - I find it interesting that ministerial portfolios get divvied up by government, but the portfolio of Skills, Training and Workforce Growth sits in the Department of State Growth and it is not a direct, active relationship then between that department and UTAS.

**Prof BLACK** - We have direct, active relationships right across government. The scope of our activities mean conversations with senior officials and ministers are constant. It's important to frame that we are regularly out there in conversation with multiple levels of government, from ministers to senior public servants to council members and council officials, at all levels of government. There would be barely a week where I am not in conversation with any number of those people.

We talked about the importance of partnerships yesterday. A significant part of my role, and a number of my other senior executive colleagues' roles, is to be working constantly across all those relationships, because the work we do everyday is integral to life in Tasmania - whether it is our TIA colleagues working with industry and agriculture or our fisheries colleagues working with industry and the environment. That is happening every single day.

**CHAIR** - They are formal strategic planning exercises or are they just casual conversations? Not casual, but -

**Prof BLACK** - Casual is not -

**CHAIR** - It is not the right term.

**Prof BLACK** - Many of those relationships I just mentioned, the TIA relationship and IMAS relationship exist within formal partnership structures. They often provide the formal frame for those.

However, if we look at the health system, there are countless daily interactions that are going on between the university and multiple aspects of the health system as we manage the placement of hundreds and hundreds of health professionals in Tasmania every week, as the staff of hospitals are teaching into our programs. The level of integration in a contemporary university, not least here in Tasmania, with the public systems of health, education, the welfare provision, I mean there are hundreds and hundreds of hours of placed social work students.

This is integral daily and we are not a world apart.

## PUBLIC

**Ms WEBB** - I was really just asking about formal connections into that more strategic level on the idea of education, training, workforce development, all those areas that have key strategic relationships and if there is formality there. Which it sounds like there is with education, not so much with State Growth.

**Prof BLACK** - It depends. With State Growth there are formal to do with our northern transformation program which has a series of agreed objectives between ourselves and government, which gets managed out of the State Growth portfolio. They are objectives about student numbers and access and the whole thick set of things we've been talking about that really matter, that go to these questions of partnership.

**Ms WEBB** - Funding agreement? Relationships, yes.

**Prof BLACK** - There is a whole package of things. We talked yesterday about the idea of civic compacts. This is not that far off an element of that, where you really are describing what are the shared objectives we have. In this case, for seeing education in the north and the north-west of the state expand its reach, deepen its access, broaden its kinds of offerings, and ensure its long-term sustainability in those places. They are embodied in agreements around which we meet.

With the northern ones, we have a regular meeting with the Commonwealth, with the state, our formal regular meeting with both levels of independent and also the local council joins those meetings. All three levels of government in a consultative committee that meets quarterly to do with a whole northern program. I think we have a quarterly meeting next week. That formally reviews progress on where that project is heading.

**CHAIR** - It seems that it would be nothing in the act that prevents any of that and probably supports that as far as you are concerned.

**Prof BLACK** - Well, the thing that we flagged yesterday was partnerships do not get a mention. As you can see from these conversations, partnerships are integral to how we are working every day. That is a really important part of what we could happily see as an enabling function.

**Mr GAFFNEY** - 7(1)(d) does mention partnerships in the powers of the university.

**Ms WATKINS** - As in the powers of the university.

**Prof BLACK** - Yes, in the powers. It was the functions question that -

**Ms WATKINS** - Yes. It is not so much explicitly called out as a function.

**CHAIR** - There is just one extra aspect to university operations I wonder is catered for in the act, and that is offshore operations. While I am aware that you have, I do not know exactly how extensive they are. You might highlight that for us where you have these. I know you have some in Asia. Can you describe for me how you see the act supporting that? Is it covered under the act when you are doing offshore operations? Who it is that you are answerable to? Is it the country where you are actually undertaking those operations? Or is it



## PUBLIC

the Commonwealth Government because it is a national relationship between Australia and those other areas? Can you describe how that is supported by the act?

**Prof BLACK** - Because these are matters of academic governance, I might actually ask Natalie to speak to that because it is really appropriate the Chair of Academic Senate speaks to that, but we do have overseas partnerships.

**Prof BROWN** - We have a partnership at Shanghai Ocean University. We have a partnership in Hong Kong. They are what we call trans-national education programs and they are regulated by TEQSA, as the regulator and the third-party arrangements are quite specific as to the sorts of governance arrangements we need.

**CHAIR** - It is covered entirely by their act?

**Prof BROWN** - Yes, but also your question was whether there is also an in-country part of that and the answer is yes. If we think about our Shanghai Ocean University partnership which is quite a long partnership of about 20 years, there is a joint management committee that oversees that. We have annual quality assurance reports and they are periodically also reviewed by the Chinese authorities because our students belong to the University of Tasmania, but in this case, they are jointly studying and they receive two degrees. I would say that the quality assurance process from the very start when we first put together some sort of partnership and then the annual review is one that is extremely thorough, very well prescribed and received a great deal of attention. At our senate meeting on Friday we have the annual review of our Shanghai Ocean University arrangement.

**CHAIR** - How is that supported under our act? I am wondering whether there need to be any additions to the act to enable the university to have those international relationships?

**Ms WATKINS** - I notice under the powers of the university, we have the power to do those things set out both in Tasmania and elsewhere all things necessary. I think it is fairly broad.

**CHAIR** - And elsewhere? Do you think they envisaged international when they put that in there? I do not know, but anyway. That is a fair comment, whether it needs to be more finer grained I suppose is another question. You do not feel there is a problem or an issue from your perspective, legally, any legal issues?

**Prof BLACK** - Perhaps, if potentially that expansion or that possibility could be mentioned in something like the preamble we have discussed to help cover future possibilities.

**Ms WATKINS** - It would be an important consideration. Natalie, you might want to elaborate on why we think these activities are actually important and relevant.

**CHAIR** - Sorry, I am not saying they do not have value. I am just wanting to make sure that -

**Prof BROWN** - That we are not prohibited from taking that step should we -

**CHAIR** - That we are not in an area that is not legally supportable. That is basically it.

## PUBLIC

**Ms WATKINS** - No, I think that is clearly not the case.

**CHAIR** - Okay, sorry I am conscious of our time and we have taken a little longer on terms of reference 3, but it is important and I will just hand back to Meg on that.

**Ms WEBB** - Thanks for that. It has come up a lot around different ways that the university and different bodies within the university consult. I do not need a description further of the activities but what I am interested to hear about is whether, in terms of the presence of consultation in decision-making processes, is there a policy or a guideline or a framework that sits somewhere in the university that describes the UTAS approach to consultation in regard to decision-making? Is there a document, or something formalised?

**Ms WATKINS** - Perhaps I could make an overarching comment. These things are situation specific generally. It is hard to be too prescriptive about it. If we go back to our obligations to act in the best interest of the university, the members of the university then, from a council point of view, would be properly asking what have we undertaken to know that this decision is weighing all the considerations and an understanding of the range of interests of the members of the university. It would be impossible for council in good conscience to weigh those factors and make a decision without having also satisfied itself that appropriate consultation has taken place.

**Ms WEBB** - Yes, but my specific question is about whether there is documentation. We have heard about the review of policy and rationalising them down to principles-based policies. I would have thought that rather than in a prescriptive way, there might be a policy document or something of that sort that was a principles-based policy about consultation, or decision-making processes whereby consultation is mentioned.

**Prof BLACK** - We do have a document that provides guidance on decision-making. We are happy to provide that to you. I note that part of our formal structure of documents for decisions is to note who consultation occurred with, so decision-makers see, as part of any formal document that is requiring a formal decision, who the consultation is with.

**Ms WEBB** - That is the sort of document I am talking about.

**Prof BLACK** - It is quite built into what we do.

**Ms WEBB** - Financial decision-making is captured in term of reference three, so I want to move into that space. Yesterday, you provided an indication about the annual report and we have heard about the delay before it is tabled in parliament, and that UTAS is receptive to that being an earlier process. That is quite welcome. Five months is a reasonable time that it is dealt with in other jurisdictions, so it might be that is something that can be recommended and considered.

I am interested in the functioning of that reporting to parliament. The act, in section 12(1) where it deals with this annual report of the council, says:

- (1) The Council is, within 6 months after the end of each financial year, to -
  - (a) present to the Governor an annual report of the proceedings of the University during that financial year; and

(b) furnish a copy of the report to the Minister.

Then the minister lays it on the table in parliament. In terms of an annual report and the proceedings of the university, clearly this is an accountability measure that is built into the act, back to the minister and to parliament. What do you regard as being essential components, and are they currently there in the annual reporting process that meet that requirement to report on the proceedings of the university?

I am thinking in terms of the act. We have functions in the act that might be regarded as being reasonable to report against in a measurable way.

**Ms WATKINS** - It goes back to the question of transparency and how we can improve, and the annual report has a role to play in that. There are many other things that we need to look at and that we are looking at. I agree with the premise of your question, which is we could do more in the annual report. Annual reports do tend to be rather historic documents, so it is important that additional disclosure in the annual report is also complemented with more ongoing and timely transparency, which we are seeking to address.

As part of our overall review, we are considering how we can continue to add more into the annual report. We made a good step, I felt, in the annual report last year where we provided quite a comprehensive outline of the various achievements, framed around some of our strategic priorities. If I compared it with a commercially listed company, there's certainly scope to do more. I think Rufus mentioned yesterday environmental sustainability, governance type reporting, and risk type reporting. We do incorporate elements of this, but there are opportunities to add more if that's something that would be helpful from a community perspective, in the context of what we do overall and making sure that some of what we do is timelier.

**Ms WEBB** - What did you make in some of the evidence of assertions that over time, the content of the annual report has diminished in size and, probably, in nuance and complexity down to a document that's more simplified now? Is that a fair comment to have been made? If it has happened, has there been a decision that sat behind that?

**Ms WATKINS** - I'd have two questions that I don't know the answer to. One is, what are the facts on that? I'm not in a position to provide an historical assessment on that. My other question that would sit alongside it is, what other disclosure have we added in the meantime? Our website does contain quite a lot of information about a whole range of things. Our strategic plan has a lot of information about our people, our council, where council is meeting and what, and all of our governance instruments. There's a considerable body of information which now possibly has become more comprehensive and migrated online. However, without doing a complete stocktake, I couldn't really answer that. However, I would encourage that we look at this in an holistic way.

Would you like any of my colleagues who have been around a bit longer like to comment on that?

**Ms WEBB** - Only if something specific can be said about whether there was a planned reduction in the content of the annual report over time. The submissions made pointed to things

## PUBLIC

like page counts, for the non-financial parts, for 2010 through to 2021, for example. The only extra comment I'm looking for is if there was a decision or an intent about that.

**Ms WATKINS** - Certainly not that I'm aware of.

**Prof BROWN** - I'm not aware of anything, either. My thoughts are that, as we're putting together an annual report, we're looking to the audience, and making sure we are trying to give information that is relevant and of interest to them. That's a decision that's made. I don't recall any decision to reduce page numbers.

Reflecting on what Alison said, that's exactly what I thought. There is so much more that is now publicly available online. From, perhaps, when one of the only things you got from the university was the annual report, now there is so much more and that has been reflected in what we put out into that annual report.

**CHAIR** - There is one specific submission, number 93, by John Lawrence. You may have read that, I don't know. He goes into some depth with regard to the annual report. One of his statements on page three is:

From an accessibility viewpoint however, the financial statements are just another amorphous conglomeration of numbers that one gets from general purpose financial statements. In this instance the financials are tweaked to satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the reporting requirement for higher education providers. The latter are probably the reason for increased revenue details in UTAS' financials. Apart from that, the statements reveal no more than those of a private company where an obligation to report means making minimum disclosures.

Clearly, he's pointing out, it is not fine grained enough. Is that something you intend to address or change in the future, so that there can be more meaningful - ?

**Ms WATKINS** - It's a good challenge and we should definitely take a look at it. I have been mindful of the need to provide context to the interpretation of our financial statements because I agree, I do not think accountants and auditors do us any favours in making these things easy to interpret. Sometimes, for example, the university's financial statements are impacted by, for example, capital grants that we might have received and are required to treat as income.

In my eyes, we have done a reasonable job of explaining the difference between capital and ongoing, recurring revenue; however, it is a really good challenge and I would like to take that on board and ask the team to consider whether we could do a better job in that.

**CHAIR** - We are not at an Estimates hearing here, we do not have to go down every path, but obviously the act is our concern and I suppose the description as to what is required in the act. Regarding the annual report, do you see that could be finer grained in the act so that it stipulates that there needs be X, Y, Z - a greater level of detail? Would you be supportive of that? Not too fine grained, I understand - we are talking about an act; but perhaps if it were to be - ?

## PUBLIC

**Ms WATKINS** - We would be willing to consider anything and try to build on anything that you wanted to propose, that you think would be relevant.

**CHAIR** - Our recommendations are to government of course, it is not to the university as such, but that is something that we could possibly look at.

**Ms WEBB** - To be absolutely fair, if the annual report provided to parliament is meant to be a measure of accountability, how parliament deals with that is integral to whether it is effective or not. That is entirely within our power and, to date, not much activity has occurred on that side of things, I would say, as an observation.

If there were more information to be sought, it probably should be actively sought. Anyway, this inquiry is occurring in terms of that heightened interest, so there we go. I have some more questions, following on from Rob's questions, that have been raised in some of the submissions. If we get too bogged down in detailed discussion, they might be better put to you in writing. Let's see how we go with them.

The question is, why is there not clear, public reporting of revenue and costs of each segment of UTAS activity, so we can see revenues and costs for teaching, research, investment property, admin overheads; or assets and liabilities relating to each of those segments, so we can see what the different aspects of the financial situation is? Why does that not occur?

**Ms WATKINS** - Again, it is an interesting challenge. I am very similar with segment reporting in other contexts. I haven't thought about the university as discrete segments because there often is a lot of interconnectedness and shared overheads and shared facilities, but I would love to take that question and discuss it with Rufus and the CFO and our accounting advisers and see if there is some basis that would yield useful, additional insight.

As the vice-chancellor mentioned, we do report important components of our income separately, with research income being a good example; although, the vice-chancellor was explaining to me; it is one thing to talk about the external research funding that we receive. As he mentioned, we are very highly ranked on that amongst all the Australian universities and received \$130 million-odd last year. However, to consider the in-kind value of the time of our researchers' use of our facilities, our equipment, these sorts of things, in my experience, it does start to get very complicated. In any sort of accounting it is usually, you have to ask, would that extra information actually yield any additional insight, because all the assumptions I have to make sometimes end up really rendering it pretty unhelpful. We would be glad to take that one and challenge ourselves as we consider what further transparency we can provide if the community thinks that would be useful.

**Ms WEBB** - It has been observed that data tables presented which support the quantitative figures in the financial information provided, things like staff and student numbers with enough granularity was just one example of a data table that might be of assistance, but that data table is to support the corresponding financial segment information.

**Ms WATKINS** - Again, it is a good thing for us to pursue, the additional information we can provide in the annual report. I would point out from experience elsewhere, annual reports, they are sort of after the event and they are static documents and many organisations have found it more useful and relevant for their users to provide more dynamic real-time

## PUBLIC

information on the web, which can be regularly updated. Certainly, that is not information that all users will access and we can consider those things.

**Ms WEBB** - There is an observation that there is not a breakdown provided in terms of breaking down the number there that relates to consulting, to legal fees, to executive expenses, et cetera, that grouping cannot see any further granulatory to that. Is that something you think could be presented more transparently?

**Ms WATKINS** - Well, I guess it is a question of how far one goes on these things. There is a balance in there somewhere and certainly, we are challenging ourselves very actively on how we can be more transparent. I am not sure how far we would go. We could go to every line item. I am not sure that would not swamp people then with detail. However, if there are particular areas that are important and relevant in insight and inform our users and continue to build trust, certainly we should be considering those.

**Ms WEBB** - Would you agree there would be sort of a natural accountability interest in seeing things like what is the figure that relates to consulting fees? What is the figure that relates to executive expenses? Along the lines of the sort of scrutiny we give to GBEs or to government departments, in terms of how they use those things, or how those figures stack up. As a public institution you can understand the interest accountability-wise in those things. It is not necessarily every line item, but there would be some identifiable key elements that might be of interest from an accountability perspective.

**Ms WATKINS** - I am not familiar with those requirements of GBEs and so forth. I am not sure whether we have been asked for this kind of information and if so, whether we would provide it. Certainly, if we were being regularly asked it would be an indicator that perhaps, we ought to be providing it. Can we please take those questions and consider them in the broader context of our overall transparency, which is, I hope you can see, is something we are reflecting pretty deeply on.

**Ms WEBB** - I would acknowledge you have communicated that really clearly it is a real point of focus. At the moment the council - it is good to hear that. Is there an actual internal policy that relates to use of consulting services, that people externally who might be interested in these things could at least look at to see how it is dealt with by University of Tasmania?

**Ms WATKINS** - There are certainly delegation and sign-off requirements. I will refer to the vice-chancellor for the specific delegations that he has in place.

**Prof BLACK** - The key piece in the accounts consulting services is that it sounds like it is big for accounting firm type numbers. In fact, it covers all of the architects, engineers. These days the list of the people who constitute consultants is wide and various and they are integral to all types of projects. Those approvals come with those projects, business case, budget pieces. Each of those ends up in quite different processes because of the diversity of services that are in there. I completely agree with you that those are the things one can and should have appropriate transparency on.

One of the things that would help us is to have, and this is a good example of it, consultancy services do cover a wide range of things. What are the things in terms of public accountability that you are particularly wanting to create visibility on because you can structure these in so many different ways. If it is appropriately for the purpose of accountability and

transparency, I want to make sure it happens in a good way. I encourage the state also to engage with the Commonwealth because we engage in substantial reporting to the Commonwealth. They are the ones who collect large amounts of higher education data, quite a bit of which goes to some of your questions, like what is the ratio of -

**Ms WEBB** - I am not sure it is appropriate for the Commonwealth to share data they have collected from you for reporting purposes with us as a state government. Presumably, though, if you provide it to the Commonwealth it is there in your system to be provided on request.

**Prof BLACK** - It is quite freely and widely used internally, including various forms of segment reporting. There is no discomfort at all with that because we share it widely. Academic senate receives the 'how the university performance is going' essentially the same as council receives and it has segment reporting in it. The state and Commonwealth do need to integrate better. If they are working in the higher education area it is important that there is good cooperative federalism on this because you both have legislative responsibilities in this area.

We get into some important conversations of sector with Canberra about exactly what the data is and exactly how you cut it because it has huge policy implications for how you cost things. It might sound simple but it is incredibly complex and you need to know what is the policy question that you are asking that the data is trying to help you solve. In whatever requests we get, it would help us to do a better job of providing that if we are clear what are the policy questions this data is seeking to answer.

**Ms WEBB** - Sometimes it is not a policy question matter. It is an accountability matter and transparency matter. To come back to my original question on that, noting you have mentioned the variety of things that might be captured within consulting as an overarching term, does the university have a document that is your vetting and procurement document for those sorts of services that is applied at least to a defined part of that spectrum?

**Prof BLACK** - There are clear procurement policy and clear procurement procedures. They are again publicly available documents but we are happy to provide them to you.

**Ms WEBB** - That relate to the engagement of consultants?

**Prof BLACK** - They belong to a category of procurement principles consistency applied across multiple areas, because the same principles apply - from the contestability of them, all of those mechanism, they apply a consistency across a whole range of services we procure. Just to break consultancy out, they are one particular service but we procure a wide range of services and we aim to have consistent procurement policies across how we procure whatever it is that we are procuring, right across the board. That is how we approach it. If there is a specific thing you think is important about what is different around a consultancy service versus other, I would be happy to hear about it.

**Ms WEBB** - Do those procurement policies apply to that full spectrum of things that might be captured under consultancy?

**Prof BLACK** - They do. Very much so.

## PUBLIC

**Ms WEBB** - Does that deal with - because you could appreciate in terms of consultancies - things like conflicts of interest and existing relationships and connections, those sorts of things?

**Prof BLACK** - Very strictly.

**Ms WEBB** - Is that something that is then accountable back to, say, the council?

**Prof BLACK** - Ultimately.

**Ms WEBB** - Is it something that the council takes quite a close look at?

**Ms WATKINS** - We would expect, if it is a delegated matter under our general delegations, that we would sign off the policy, certainly - the procurement policy, for example - and the limits that we authorise the vice-chancellor to be able to spend on any particular purchase or contract. We authorise those matters. We endorse the policy, which includes requirements around conflict management. If there were exceptions, or breaches, that were revealed through our regular compliance activities, then we would certainly expect to hear about those, yes.

**CHAIR** - You mentioned transparency - I note in the Public Universities Australia submission, number 27, where they say:

We have published a series of guidelines for university governance on our website and these are copied below. Inclusion of these principles in The Act will improve accountable executive, fiscal and academic decision making. For this reason, we suggest insertion of the below text.

They give a number of examples, but the first one that they give is open deliberation of key governing bodies, including the council and the senate. Yesterday, when we were talking about senate and you were saying that it was council, but it says council and senate. I am a bit confused as to what council and senate means, in their terminology. I will read what they say:

To ensure transparency, wherever possible, meetings of the governing body of all universities should be open for members of the public to attend as observers. Furthermore, detailed minutes should be made publicly available in a timely manner, and both the agenda and agenda papers, wherever possible, should not be confidential and should be made available prior to the meeting to both the university community and to the public.

Do you have any comment on that? This is something that they are collectively putting forward as one of the principles to improve transparency.

**Ms WATKINS** - Yes. As I said yesterday, it is very interesting and important to hear these different points of views. PUA has put a lot of effort and thought into framing something very coherent. I understand they are seeking to progress that with the sector. I am a member of something called the University Chancellors Council. That is where these kinds of best practices are usually progressed and considered in a pretty thoughtful way, and through Universities Australia - which is the vice-chancellors equivalent type sector-wide body.



## PUBLIC

I hesitant to comment on that. I would like - and I am sure we will - take those views on board as we consider the range of improvements that we want to make on transparency. I mentioned yesterday that we have released minutes. We are challenging ourselves as to whether that's a useful thing to continue to do, and whether that's the right format to do. From a personal point of view, my question would be that, if council meetings were public forums, that might have an unintended consequence of stifling open and honest debate among members of council, leading to a situation where it encouraged and forced sensitive or substantive discussions, where we are really still working through something, out of the council forums.

There are ways that you could visualise that working - for example, having an hour section where perhaps people could come in but not be there for the full thing. There is a whole host of useful ideas on the table here for us to take, consider and learn from. We're one of 43 universities and there are a lot of thoughtful people across those other institutions, so I'm pretty keen to be making sure that we are tapping into the developing thinking across the sector. I would hate to see us as being a laggard. However, there may be risks in us being at the leading edge as well, so that is how I tend to think about these things.

**CHAIR** - Thank you for that feedback.

**Ms LOVELL** - Rufus, you mentioned in your opening remarks that the funding received from the government doesn't cover your full costs. Are you able to elaborate on what the shortfall might be. Is that gap able to be quantified and how are the ways that you, as a university, make up that shortfall? Do you feel that the act enables you to do that in an accountable way?

**Prof BLACK** - Thank you, an excellent question. The quantification of it is a complex question because we have to trade off each year in order to make it work and that's part of what creates a challenge in the sector. What you are doing all the time is trying to find how you keep adjusting what you're doing in order to live within the means, while simultaneously trying to grow other components of what you're doing.

The answer to how much the shortfall is has a lot to do with what we think the minimum is for standards that we'd like to have. I think anyone in the sector would readily say we get pushed to the absolute margin, the absolute limits on things. To give you a concrete example, that it is a real challenge right now for our staff.

Over time, you used to have a much wider range of administrative assistance that helped with more things. As governments cut and cut funding, one of the things universities like ours and others have done is put more of those into self-service, online things as many institutions have done. It does reduce the amount of people who are available to help, and people have to do more of those things.

This is a world where there's probably too little of that kind of support, but there's no funding for providing it and that makes life not as great for our people. They told us that, in an engagement survey. We have to work out some really creative ways in which we fix that.

It ends up in a kind of pressure in the institutional system. Kristen mentioned in her opening comments yesterday, while people really value their immediate work environments,

## PUBLIC

they sense the overall pressure that trimming has put on it, and our ability to have any discretion to pursue the things that might really matter.

Here in Tasmania, it's probably one of the most challenging universities in the country to make this work because this funding was never set up to do all the things we need to do. Where do we get the other income from? We have an investment portfolio which, at various points in our time, people have managed to squirrel a bit of money away and it's been extremely prudently managed over time in order to grow that income. That income is absolutely critical to us. If we didn't have that income on a yearly basis we would not be able to do many of things that we do.

Some of that has come from realising the value of property, which then enables us to put it in a more diversified, higher returning portfolio. That is a very important part of how we are able to do that and you may have noted that we also make those in line with our values.

We have a fossil-free investment strategy and an activist's strategy, which is then used to have an investment strategy aiming, to the greatest extent we can, to invest in sectors, entities and funds that are supporting the transition to a zero-carbon economy. We aim to do whatever we are doing in that, to make sure that it aligns with our values; or, another way of saying it, we, and the people we work with have some shared values about where we see that, and that's important as a university.

There is a small amount of other income that comes, if we have a space that is not filled, we might get some rent from it. There are various other sources of income - there are little bits of income that we get from intellectual property that we've developed over time. They are very small amounts at this point, the investment returns would be the most substantial part of that. I think the act has clearly enabled all of that to occur.

Universities worldwide tend to be sophisticated financial investors, often setting trends. Because we are there for the long run, not there for the short run, we are able to do things that are much more values aligned and over the long run. Some of the most important entities are those where these values govern what we are doing, and all of that has been possible through the current construct of the act.

**Ms WEBB** - Can I move onto another financial matter?

**CHAIR** - Yes, you can, just be aware; we are going to break at 10.30 a.m., so I would like to think that we can wrap up terms of reference three by 10.30 a.m., is that possible?

**Ms WEBB** - We haven't got onto academic decision-making at all, so probably not.

**CHAIR** - We will see how we go.

**Ms WEBB** - In relation to financial/fiscal decision-making, one of the things that was raised, as you would have noted in many submissions and hearings, has been around remuneration of executive and levels of remuneration and concerns and questions raised in those areas.

I think we would all agree it is probably understandable that people focus on that; it is publicly reported in the media and made much of. We know through that that the VC package

## PUBLIC

is three-times that of the premier; it is probably twice that of our most senior public servant in the state, the head of the State Service; and people have expressed that that does not necessarily meet community expectation or is comparative to other parts of the workforce at UTAS.

Would you like the opportunity to reflect on that and how those decisions are made, and the appropriateness of where that is set and what feeds into those decisions?

**Ms WATKINS** - Yes, certainly. As I mentioned yesterday, the appointment of the vice-chancellor is probably the single most important decision that a council makes. Remuneration is part of that. I wasn't part of the original appointment of the current vice-chancellor; however, we have gone through a recent process and renewed his employment.

As part of that, when we look at his remuneration, we look right across the sector. The main benchmarks that we use relate to the higher education sector in Australia and, specifically, comparable roles - vice-chancellors of comparable size universities. The vice-chancellor's remuneration sits comfortably around that level. We made no changes to the vice-chancellor's remuneration in the last review of his contract. I believe his original appointment was 2018 and there have been no changes to his remuneration in that time, in the five years since.

**Ms WEBB** - Are you able to reflect on the escalation of executive salary over time within UTAS to contextualise that in response to the comments being made?

**Ms WATKINS** - I can assure you the approach to senior salaries is a rigorous one and it is a function of benchmarking for equivalent roles. There is always a strong focus on data. There can be considerations around a specific individual, for example, if we were trying to attract a specific individual to Tasmania where there may be differing salary expectations. We would have some flexibility to take that into account for a very senior role, but generally speaking, like all large organisation, there is a high degree of attention paid to these matters to make sure the relativities across relevant sectoral and size benchmarks stack up and also the internal relativities stack up.

**Ms WEBB** - How is that aspect of it done because we would all be aware if the VC salary bumps up because it has been benchmarked against perhaps others in the sector that is going to drag up other senior executive salaries. Does it necessarily bring everybody up? Do all boats rise on that tide?

**Ms WATKINS** - No, that is not my experience. Vice-chancellor roles are benchmarked individually and typically, they are quite a lot higher for a range of reasons than senior executive salaries. The senior executive salaries are benchmarked against similar role types for that. Unless there was a movement in the sector elsewhere for those specific roles, it would not follow those senior roles would move up just because there was a vice-chancellor on a particular level.

**Mr GAFFNEY** - We had one submission, submission 120, from an emeritus professor. He made the observation, why have academic benefits and on costs gone down while non-academic benefits and on costs have gone up? He made that observation. I do not know if that is in fact a correct assessment but if you cannot answer it now, I would be more than happy for you to come back with a reason, because it seems like a valid question in light of not being able to break down all the information.

## PUBLIC

**Ms WATKINS** - I agree, it is a totally valid question and it is one we have regularly challenged Rufus and his team on. If you like I could ask Rufus to provide a brief overview of the main drivers of that?

**Prof BLACK** - To give you the information we had best take it on notice and understand from that reference what they are putting in those different categories, because again how you divide that up -

**Mr GAFFNEY** - It is submission 120.

**Ms WEBB** - We will frame it up as a question to send through.

**Prof BLACK** - We are very happy to -

**CHAIR** - I was going to say submission 93 makes the same statement, backing up what Mike was saying:

Over the past 10 years, academic wages, which includes teaching and research, has fallen from 56 per cent of total wages to 51 per cent.

**Ms WEBB** - Maybe you could make some generalised comments without necessarily specific data, about changes in that balance over time between what goes to administrative costs versus teaching and research costs and the way the balance might have changed?

**Prof BROWN** - I could speak briefly on the teaching and learning area. We do match the idea of teaching and learning with academic staff and the majority of teaching and learning is carried out by academic staff. However, in recent years across the sector, we have seen the growth of something they talk about in the literature as third space professionals who do not sit necessarily in professional. They are not administrative staff, they are not academic staff but they actually support the teaching and learning enterprise.

**CHAIR** - How professional mainly?

**Prof BROWN** - They are people like educational designers, people who work with academic staff to design courses, to assist with the pedagogy, to help with online teaching, to help with work integrated learning, all of those aspects of teaching and learning that fall outside the traditional academic role but support that really high-quality learning and teaching.

That is across the sector internationally, a growth of people who are working in that area. It is quite difficult sometimes to say the academic staff are taking care of all the learning and teaching and research and then the professional staff are doing administration. In the research area we might have staff who are employed on a professional band, but they are really integral to research programs. They might be operating equipment or running samples through, those kinds of things. There are nuances around that, but certainly in the learning and teaching area we have seen a growth of that. A slightly different workforce to support that.

**Ms WEBB** - Would it be possible, in the interests of transparency, for you to break those out? You could do it not just as a duality, but as three groups where you have staffing costs for administrative roles, staffing costs for teaching and learning or staffing costs for this sort of hybrid area or minimal area at the side there?

**Prof BROWN** - It may be possible, there are nuances of course, but it is a very interesting question and that is something that could be investigated.

**Ms WEBB** - To come back to the question I posed, can you comment perhaps in a general way about the changing balance, noting the complexity of this third group, in terms of staffing costs, who are you spending money on to have work for UTAS, and, the balance between what could be regarded as the administrative side of things versus the teaching and learning side of things? Whether that has been a consistent balance? Whether it is something that has changed over time?

**Prof BLACK** - It does change a bit over time. It is something we keep a close eye on and work to achieve a good balance on. That is always a work in progress. Part of the complexity is of course, what Natalie said, but also people would like more administrative staff to help them right now. Part of what we are constantly balancing is in a diminishing budget environment, how are you trying to get that balance right between funding frontline educational roles and funding the range of supports required to enable those people to do as best work they can? It is not a simple academic versus professional kind of equation and always reflected in how ones seeking to do that.

I am happy to provide it with a picture of that and we are always working on it. It does depend on achieving or reducing your professional staff, does require finding new forms of efficiency to be able to do that. When effectively, you are being funding for each year is diminishing, you are the growing revenue from non-fee sources or you are putting downward pressure on staff.

**CHAIR** - Does that point to the intrinsic model being wrong?

**Prof BLACK** - The intrinsic model is really problematic. The universities face costs that tend to go above CPI because of a particular basket of costs we face. Only recently indexation brought back into it and it is only at CPI and its lagged.

**CHAIR** - CPI is not always appropriate.

**Prof BLACK** - It is not always appropriate because we do not buy a CPI basket of goods, we buy a lot of services which are more expensive and it is also done in a lag. In a year like we are currently going through, we will not see any inflation adjusted assistance until well into the future. That means a year like this year, you are facing a wide range of inflation with effectively no indexed connection to it.

**CHAIR** - Are there conversations at a Commonwealth level on that?

**Prof BLACK** - It has been going on for a long time. This is why these questions of financial sustainability are really challenging. The Commonwealth has signalled, even in this accord process, that the higher education sector should not be looking for any increase in funding. What they are asking us to do, effectively, is to educate more and more students on the same amount of money. The reality of that, which is what in a job like mine you really feel for, is that translates into pressure for our staff. In the far distance of these grand policy choices, where this ends up is in staff having to do more things for themselves as we try to retain as many academic staff as research staff.

## PUBLIC

**CHAIR** - Cutting to the chase, it dumbs down.

**Prof BLACK** - The thing is, what we aim to do is not dumb it down. We do not dumb it down. We work really hard to keep the broad base of high-quality staff that we can. Now, that is a real challenge. They experience though, the university institutionally trying to solve the nearly unsolvable puzzle of higher education funding. That is why we are strong advocates for that. Our students experience it. We would like to have more funding to support students who have various forms of disability, who are highly competent but need support. Where does that come from? The human cost of this, of how the higher education system's funding has evolved is now being felt by academic staff, professional staff and our students. That is what keeps any of us in executive roles awake at night - is the experience that this creates. That is the thing that worries us. We have to try to achieve a bottom line, but our objective is not a financial bottom line. Our objective is to try to maintain the best quality experience ultimately for Tasmania and the contributions we do, while somehow making a nearly impossible book-balancing exercise work.

**CHAIR** - I am sorry, when I was saying 'you dumb it down,' I was not specifically saying you were purposefully doing that. I was saying the resulting -

**Ms WEBB** - Risk.

**CHAIR** - risk is that it gets dumbed down. It might be you are doing, even with your online stuff, that you are working on lectures that are two years old, some have said and not up to the minute. I am not suggesting whether that is good or bad. I am just saying there is that tendency or risk it could end up being a lesser product than it might be if you are properly funded.

**Ms WEBB** - Can I ask another question quick before we break, that you may have the answer to or can provide to us later? We just spoke a moment ago about that ratio between administrative and teaching and research and staff costs. Perhaps another ratio that people have flagged interest with is the ratio of proportion of staff costs that is occupied by senior management and executive compared to the rest. Is that a ratio you are able to comment on and particularly if it has changed over time?

**Prof BLACK** - It is a ratio, you pay real attention to and aim to keep in some kind of sensible balance. That is, again, one of those constant objectives as you are managing an evolving university that you are always actively working on.

**Ms WEBB** - Is there transparency with that and how it may have changed over time?

**Prof BLACK** - Not in a straightforward way, because again, it is where you draw the line as to what counts as a senior manager. We have people in executive roles who would still be on award arrangements and vice versa. It is actually quite hard to draw the line in a simple way. Nevertheless, we do draw lines for the purpose of trying to make sure we are managing that ratio well. When we have made changes, it is actually that executive group, which is a really important focus for where you are seeking to get that balance fixed.

**CHAIR** - I think it is now time to have a five-minute break and we will come back to that.

## PUBLIC

**The committee suspended from 10.30 a.m until 10. 35 a.m.**

**CHAIR** - Welcome back, everybody, and over to Meg for another question.

**Ms WEBB** - I was asking about the ratio of that senior executive salary cost versus rest of staff costs. You mentioned being mindful of it and monitoring it. Is it something you can talk about changing over time in a more tangible way? Has the proportion of senior management costs increased as a proportion?

**Prof BLACK** - We will provide you with a picture of that.

**Ms WEBB** - This might be something to provide later as well, but I am also interested in the gender and diversity aspects of the different bands of staff at the university. I am particularly talking about management and how gender diversity looks at a senior management level. We can put that in writing, though.

**Ms WATKINS** - We can provide our reporting to the Workplace Gender Equality Agency.

**Ms WEBB** - Yes, the WGEA report.

**Ms WATKINS** - Yes, the WGEA report which is very comprehensive on all levels.

**Ms WEBB** - Is that in the public domain anyway?

**Ms DERBYSHIRE** - Yes, it is.

**Ms WEBB** - We can probably find it if you point it our way. As the chancellor, are you satisfied with the diversity and the gender mix that you have at a senior executive level and that senior management level?

**Ms WATKINS** - On gender equality, my overall view would be that we have done well, and I say that without the statistics on hand; but my impression through the academic senate and our academic colleagues, there is a good level of gender diversity. It is impressive. It is appropriate that the university sector should be leading the way on that. We have more work to do on all forms of diversity and some of those are harder to measure or we can't legally ask people to disclose those. Kristen is leading a lot of work in that area, which she could briefly comment on if you would like.

**Ms WEBB** - If you would like to make some brief comments about it, it would be fine. If it is contained in a document that we refer to and pick up, that's fine too.

**Ms DERBYSHIRE** - Yes, it is. From a holistic perspective, we are quite comfortable with the level of representation we have in terms of diversity across almost all layers of the institution, specifically at the university executive level. There are opportunities for us to increase diversity across a broader spectrum of concepts around what we consider to be diverse groups of people. We are particularly focused on our Aboriginal and Torres Strait Islander representation. We have some clear targets around that, and a comprehensive strategic plan which seeks to increase our level of Aboriginal and Torres Strait Islander employee

## PUBLIC

representation as well. From a gender perspective, we have great balance across all levels of seniority. We can point you to the WEGA Report as well.

**Ms WEBB** - I am going to move away from financial matters, unless people want to ...

**CHAIR** - One question has been raised in one of the submissions, or it might be in a letter to us, in relation to investment by Dai-Ichi.

It is unusually favourable to this offshore company, so much so that one must ask whether tenders were called from Australian banks, insurers or hedge funds. This is because Tasmania has only one university and no state government could refuse a request for a bailout if things went pear shaped. [TBC]

Do you have any comment on that?

**Prof BLACK** - Could you be more specific?

**CHAIR** - I can't be more specific because that is all they have told me. It must be in relation to loans in relation to properties?

**Prof BLACK** - I suspect it may be to do with the green bond issuance.

**CHAIR** - It could be. Dai-Ichi.

**Prof BLACK** - It may be to do with the green bond issuance. Without more details it's hard to say. Let me provide some context on the green bond piece which may help whoever that was to understand the context there.

The green bond is a way in which we are able to get what is, effectively, loan money which comes at an interest rate. What we are able to do is say we will only spend that money, in this case on buildings, where we achieve a 20 per cent or greater reduction in the embodied carbon in those buildings. It is effectively a substantial carbon offset offer. It is based on the fact that in our northern buildings we have well exceeded that target. We are at the global best practice and pushing the boundary on the ability to build buildings with low embodied carbon. We see that as an important Tasmania project because we have effectively a low carbon energy system - we get a little bit, not 100 per cent, but we are close. The most important next target is to reduce embodied carbon. We are able to do that.

Where it may relate to that question is we put that into a global market and there is a real appetite amongst global investors for high quality, very credible offers of that kind. Therefore, they are prepared to discount their interest rate in order to be one of the people who provide that loan. When we put that in the market - and again, it reflects the deep sophistication that you need as a contemporary university - we were able to do that in a tricky global economic period, but before inflation took off. That is an enormous, long-term benefit for the university, to be able to successfully execute a very sophisticated transaction that will have saved it an enormous amount of money for the university.

**CHAIR** - Is that something the Treasurer signs off on as a loan?



## PUBLIC

**Prof BLACK** - The Treasurer signs off on our ability to seek a certain level of funding, they don't need to sign-off on the specific instrument, but they previously signed off on the level of borrowing that we could achieve.

**CHAIR** - Do you feel comfortable that the act provides you with the capacity to be able to take such investments on board from an international direction?

**Prof BLACK** - Yes, well and truly. This again highlights where the act has given us a capacity to be getting money from people who want to be involved in fixing the future. Yesterday, I highlighted one of the great challenges of universities, that being the transition to zero-carbon by 2050. So, just as on the investment side, we are investing in entities that are involved in that transition to the greatest extent we can, avoiding fossil fuels, we are seeking only to get money where we possibly can from people who share those same values so that they are also, and again that sends a strong signal to global community about who we are, what our values are, and who we want to work with in partnership to make happen.

The act, because it has general rather than specific provisions around that, has actually enabled the university to innovate. That transaction was recognised and it won an award for its issuance, seen as the best issuance in the country last year. That's really important, and it also has done much for Tasmania's global green credentials. These are ways in which having the flexibility in the act to be able to be innovative, sophisticated, and values-aligned, is really important.

**CHAIR** - About the risk side of that? Are there any risks that you see coming with that transaction?

**Prof BLACK** -The very good thing about the way we have structured a team of professional staff - and this is why universities have significant professional staff, because you need to be able to do sophisticated things for the good of everything else. This has really de-risked a lot by being able to get at a much lower interest rate. If you were trying to seek money today, the university would pay a very great deal more, and it is fixed.

**CHAIR** - It is fixed for what?

**Prof BLACK** - So, we have both a 10- and a 20-year tranche, nobody expected us to be able to get 20 away, but we did because people really wanted to buy into it. That is a very substantial certainty that the university is able to have, and in this tricky higher education funding environment, being able to have that long-term certainty is important.

**CHAIR** - Where is it being applied?

**Prof BLACK** - It is applied to new buildings that have that zero-carbon, or in our case, 20 per cent reduced or greater carbon footprint.

**CHAIR** - Okay, so is that student accommodation or actual accommodation for the university?

**Prof BLACK** - That is university buildings.

**CHAIR** - That is, in this case, in the city?

**Prof BLACK** - In this case, some of our northern buildings will benefit from that, because they are hitting that benchmark.

**CHAIR** - Thank you.

**Ms WEBB** - I am going to move onto a couple of questions about academic decision-making that is captured in this term of reference, trying to focus in on some specific ones. Across a range of submissions and hearings, we have heard reflections on changes being made to teaching models without necessarily, in some views, sufficient involvement with the staff who will be doing that teaching, and that is something that causes disquiet, problems, and ultimately, at times, needs to be reversed. The case of the law school was a key example provided there. Would you provide reflections on the involvement of staff in those decisions about changes to teaching models?

Knowing that there is consternation and that it has been identified as not working as such at times, could you reflect on why you think that has occurred?

**Prof BROWN** - It is probably really important to understand that in 2020, the whole of the education sector and the higher education sector across the world, and certainly in Australia, in Tasmania was disrupted in an unprecedented way. The model of teaching changed. It had to change. We needed to change in order to -

**Ms WEBB** - I am sorry to interrupt you, I am just mindful of the time.

**Prof BROWN** - It is important to get that context. We had staff who engaged in a rapid change, but we have also had students who engaged in rapid change. Students who were coming onto campus were learning from home. That is a really important context. Your question talked to us about a new teaching model. What we have at the moment is a framework that is an evolution of a teaching model. It has taken some of the aspects of what we know has worked during that COVID-19 time, then really tried to put a focus on getting and encouraging students to come back onto campus.

What is a challenge across the sector is that many students, of course, want to come back on campus, they want to be there, they want to be in their tutorials and workshops and all of those kinds of things. A number of other students have benefitted from the flexibility that is afforded by a sort of a hybrid model. They are probably less keen to get back on. We have that kind of really interesting problem. It is not just us; it is everybody.

What we have tried to do is to apply those principles of what we know about student learning. We know that for students to learn, it is what they do. It is not what they hear or what they see; it is what they actually do that constructs that learning. When we are planning for any learning and teaching, we need to make sure we have regard to the discipline, thought about the very best way that we can structure the content that might be being delivered, the activities and the way in which we might engage students with that content to understand it or to apply it. That looks different in different disciplines.

This integrated learning model talked very much about where there is transmission of knowledge, just somebody telling students about particular things, that that can be delivered, and quite effectively delivered, not hopefully in 50-minute sessions, because a lot of people do

## PUBLIC

not like sitting for 50 minutes listening. They like smaller curated sessions, supplemented by on-campus very engaging face-to-face activities for our on-campus degrees.

Then, a third element that was introduced, again to try to draw students back onto campus, was something we called keynotes, which was trying to get whole cohorts back together to engage in Q and A panels or industry, all of those kinds of elements. It may, on the surface, look like it is something new, but for many people, this is what has been happening, perhaps not so much the online delivery of lectures, but we had two years where in fact that has been developed to quite a sophisticated level.

That is the model. To your second question, do we know that some staff were concerned about that?

**Ms WEBB** - Just to bring back that first question. I was not looking so much for a description. What I was asking about was, in terms of changes and folding out changes to the teaching model, the involvement of the academic staff down to the level of people who would be delivering it and the adequacy of that.

**Prof BROWN** - Individual disciplines were able to take that framework and design what was best for their discipline. In order to support that, we have an academic senate, for example, we have had a number of strategic discussions that would support that. Thinking about within that integrated model, how might individual staff activate that within their own discipline? We have 72 people sitting at senate. We had a lot of academic staff having input into that and of course, that was then cascaded out into the colleges. We have had teams of support people to work to support where staff were perhaps thinking about how best they might change their content to take advantage for their very focused small group, engaging on campus activities. We had people available, educational developers and educational designers to work with our academic staff.

We have really been encouraging our course coordinators to work with their staff to think about how that might be delivered and where there does need to be some professional learning or additional support to be able to identify where that might be.

The other thing I have done, and as part of that academic senate role, is being available, having regular meetings to have associate heads, learning and teaching. They are the people on the ground, in the schools, working with our academic staff and listening to what are the challenges being faced by staff. Myself and Deputy Vice-Chancellor of Education and others have been in those meetings. Listening, thinking and working with those associate heads to support them in ways they need and that really is the sorts of things that have been expressed to them by those on the ground teaching staff. They are our critical key insights into what is happening. We are working through that.

**Ms WEBB** - How do you know how well that is working? I am asking that because of course, what has been quite a publicly aired situation with say, the law school, as an example. Where changes to the teaching model were - it would appear - imposed and then there was a great kick up. In order to have it addressed and rectified, it required not just internal processes like the ones you are describing for support and checking in and what not, but the entire legal profession to mobilise, including a chief justice and an ex-governor to ask for it to be rectified. I think that is an outlier example, but it is a very public one. Something obviously went, it would seem, fairly seriously wrong.

## PUBLIC

Can you reflect on that in terms of such a consequential outcome from a change to a teaching model that seems to have just been imposed?

**Prof BROWN** - I think the vice-chancellor would like to respond to that.

**Prof BLACK** - There were a series of issues in the law school that actually were to do as much as with other things as with the teaching model. The representations are to do with other aspects, to do with continuing legal education effectively, and some proposed changes that had come about, which the people you mentioned and some others brought to my attention as needing a different kind of approach and direction. I obviously welcomed that conversation and we made a series of changes to do it.

There were three things going on at the one time. One to do with that, one to do with concerns about what happens to Tasmania Law Reform Institute and one to do with the teaching model. Representations became that students were bringing to attention the teaching model, matters that really are to do with the legal professional and I appreciated their engagement with that.

Part of your question, Meg, is about consultation. Having observed this process, I actually did request some very direct changes to how our academic division works with our academic senate in relation to changes. My view was that it was necessary to do that. Natalie spoke to you yesterday about the changed model where ideas are brought early for, in a sense, conceptual discussion before they go anywhere. Second period, second stage, where they then come in a more formal version and a third stage where they reach final approval to ensure that we get a better conversation done. The academic senate is the right and appropriate place for that to happen. However, I have certainly seen the way in which aspects of getting ourselves out of the COVID-19 world, now that we are returning to a kind of business-as-normal world, absolutely needed to change to enable that to happen in a much better way. That is what we have done.

**Ms WEBB** - It is the process side of it, not so much the rationale side of it I am interested in. In terms of that law school example and particularly, with those two elements you mentioned, the legal professional ongoing education or the, it is the professional qualification at the end of the degree, is it?

**Prof BLACK** - Yes, that is correct.

**Ms WEBB** - And then student concern about the teaching model. Clearly decisions were made to change in both those areas at a certain time in a process which then required rectification. Now that the changes have been made to the process, do you feel that there is a certainty that we would not see a similar situation roll out? Where decisions are made and then fixing has to be done?

**Prof BLACK** - I think it is very much less likely, given the nature of those changes. Even in a richly consulted set of changes, the model should see this go much better. However, we are in a changing landscape about how education is delivered that really reflects the best possible understandings of how pedagogy happens. That gives rise to healthy and significant debate and is something which should be welcomed, not stepped away from.

## PUBLIC

We have just seen ChatGPT arrive into the education universe. That will produce a whole next level of conversation. Technology is changing at a rate that means there will be, sector wide, very considerable ongoing dialogue and deliberation about how it happens. In a world also where we are constantly balancing our commitment to be an in-person, relational university - I mentioned the importance of that yesterday - where a critical part of achieving access is having a more diverse set of forms of delivery. These are the complex balances we will need to continue to strike and around which I suspect, helpfully, there will continue to be good debate.

My task has been to support Natalie in senate to see parts of our academic executive team work in ways that deepen the consultative engagement. I notice for example that the ChatGPT piece would be a good illustration of our team convening very early conversation this year, anyone turn up? Natalie might want to speak to it. A different way of going about it, and leading to a much more aligned set of outcomes. Those changes are already present and the ChatGPT way we are going about that probably reflects that quite nicely.

**CHAIR** - Can you just describe that slightly for the audience? Just briefly.

**Prof BLACK** - ChatGPT is a sophisticated piece of language-based artificial intelligence software, where you can enter questions into it and it will provide a remarkably rich answer to that question. Of course, that is just one of a series of models.

**Prof BROWN** - I think one of the really good things about our experience this year is that it demonstrates how quickly we can get onto that. We left to go to Christmas and ChatGPT was not something we were aware of. By early January, we had convened as part of the early professional learning for staff sessions on that and academic integrity. We have had learning and teaching drop-in sessions with ChatGPT as a topic and unprecedented numbers of people have been dropping in and talking about that. We have had a big discussion at senate, a presentation at council. It is a really good way of how our processes are really starting to fall in-line to be able to bring a whole-of-university focus onto these issues.

**Ms WEBB** - I wanted to touch briefly on student involvement in decision-making in this area of academic decision-making. I do not want re-cover ground we covered yesterday, because you have already done a good job highlighting some things where you are looking to increase student involvement and that is good to hear about. How confident are you in the consistency of that across the organisation? Is there, for example, a policy or a framework, or something documented that expresses the university's approach to student involvement in decision-making that it can then be used as a way of ensuring consistency across different areas, knowing there are probably some that do it well enough and others that do not necessarily?

**Prof BLACK** - There is not. It is not a thing you create a single document on, because it actually intersects with so many different parts of what we do. The closest sort of thing that be close to what you are describing is where we have moved to have this students as partners model. We have a student voice and Natalie highlighted yesterday where it has an academic senate and how all of those processes work. We are also introducing, again, a really important evolution: a students as partners model which, in each of our colleges, creates a structure where their involvement, in a structured way, they are engaged and involved in the kind of decision-making on things that affect them in each of those places. We have initially piloted that. This is the year where we can roll that out across our system. We see that as fundamentally

## PUBLIC

important as part of senate's task, part of our academic division's task, to monitor how that is going. To learn the lessons. To continue to improve that as it unfolds.

**Ms WEBB** - We understood from TEQSA's evidence to us last year that they had helped establish that students as partners program that had been used to some extent, so is it your expectation that it will be a consistently applied thing across the whole university?

**Prof BLACK** - Yes. Again, TEQSA are terrific to work with and we are very fortunate having a group of students who are really great collaborators in helping to achieve those kinds of things. They have been wonderful through the pandemic and now. I could not speak too highly of them.

**Ms WEBB** - We have talked a lot about transparency and in the terms of reference about accountable decision-making. RTI requests and processes within the university have been raised. Is there an RTI policy you can make available to us, a process or flow chart that operates as the underpinning guidance within the university, so we can understand how that is dealt with? How does the University of Tasmania internally monitor compliance with RTI legislation? Where do your responsible officers for that sit within the university? What interaction with that do executive management or senior management have?

**Prof BLACK** - We can provide you with that picture. That is a substantial picture and we would be very happy to provide that to you.

**Ms WEBB** - I will follow up with that then. Can I get your comment now on some of the issues that have been raised about RTI requests made in recent times on things like RTI requests being altered unilaterally without consultation with the person who has put it in?

**Prof BLACK** - I would need specifics to be able to respond to those and on notice.

**Ms WEBB** - Okay, I will provide those on notice to you and it would be good to get your response to that. Do you keep statistics? Again, I can put this on notice to you, but just to flag it now, what is the proportion of RTI requests that come through to UTAS in terms of what proportion are provided in full, in part or denied? And then statistics on what proportion go to appeal? I will put all that as a package of questions to get responses to, thank you.

**CHAIR** - Our next term of reference - just to make you aware we actually do have another witness at 12 noon and we are working to that time frame. At this particular point we are dealing with the appropriateness of the act to protect and promote academic freedom, independence and autonomy and we have had quite a lot of submissions coming to us in relation to this. Some suggesting the act needs bolstering to improve academic freedom and/or protect its independence and autonomy. I note your particular submission to that is extensive. You believe you have instruments in place that protect this. I want to point you to a couple of the submissions, and this is Professor Malpas. You may be aware of his submission, number 97, where he talks about:

A similar and equally serious deficiency is evident when one looks to identify any provisions in the Act to protect and ensure academic freedom or when one considers broader issues of academic autonomy.

He states:

## PUBLIC

The phrase "academic freedom" does not appear in the 1992 Act nor does the concept appear under any other form of words. Nor is there any explicit attention given to issues of academic autonomy. This may be because, in the original version of the Act, the basic ideas of both academic freedom and autonomy, in some form, were already assumed in the idea of the University as an academic or epistemic community - although even in the period prior to the 1990s, the protection of academic freedom and autonomy was a very real concern.

Do you see that it could be added to the act, to underscore the need to protect academic freedom?

**Prof BLACK** - As I said yesterday, I welcome any measures that strengthen academic freedom. The bar that is set for it is very high. The statement of academic freedom that we have is as robust as you will find anywhere. If there is a way in which the act can do that, we would understand that but equally, and I noted yesterday, I am interested in what the safeguards are that it doesn't get watered down. If you put it in the act, it would need to be at least as bold as the statement we have. It would need to clearly interact with the Commonwealth requirements. It would need to be clear upon how it actually operated, in what way did it protect the freedom; and what safeguards are there, in order to ensure that such freedoms are not curtailed.

I highlighted it yesterday, but often the greatest threats to freedom come from governments who don't enjoy the freedoms that universities provide. When authoritarian governments feel threatened, the first place they seek to shut down is universities. You will find us robust defenders of ensuring that government does not interfere with these freedoms. So, I am very happy to consider it. It would be interesting to see a concrete proposal that provided freedom at the level that was required, and what the safeguard mechanisms were, so that some simple majority of a government uncomfortable with what was happening didn't detract from it.

**CHAIR** - The tension that seem to come in the submissions I am reading with regard to this inquiry are that everyone understands the right of an academic to speak out on any issue that they feel is of importance to be heard on; but if it was about the organisation itself, that it presents an issue.

**Ms WATKINS** - Can I comment on that? When I took on the role of chancellor, this question of academic freedom was very much to the fore in my mind and I took a lot of comfort from discussing that early on with Rufus, appreciating the rigour of our policy and, more importantly, the values - because it is one thing to have something in writing but how you live it is what counts. You can hear from Rufus's response and commentary yesterday, it is something that is very dear to him and that is reflected throughout. I was at pains to clarify your question and perhaps the suggestion that has come through these submissions and -

**CHAIR** - They are pretty strong.

**Ms WATKINS** - Yes; but it was very clear and I look a lot of comfort from this, because I thought perhaps academic freedom is about your own areas of research and the papers you

## PUBLIC

write and the opinions you express in relation to your work. It is very clear in our definition of academic freedom in paragraph (3) that academic freedom is defined as:

3. the freedom of academic staff and students to express their opinions in relation to the higher education provider in which they work or are enrolled.

In talking that through with Rufus and council, I take a lot of comfort and I think it is very clear - certainly, in the environment that we have been in, where there have been robust views expressed - that our policy supports academics to dissent with a range of decisions that we might make as a provider of education, not only in relation to their area or work or discipline.

**CHAIR** - The fundamental issue that comes out in the submissions is non-disclosure agreements and non-disparagement clauses being put on various academics who may be leaving the institution. Why are they there? What is the reason for those to even exist?

**Ms WATKINS** - This is something that I also have wanted to understand. Let me provide my recollection of the facts as I was able to establish them on this question, and my colleagues can elaborate. Non-disclosure agreements, where a senior person leaves an organisation, are not uncommon. I have seen them used quite a bit. I would say in our context, they have been used quite infrequently. I cannot remember the percentage, but it was quite small.

**CHAIR** - Do you have a number, over time?

**Ms WATKINS** - I will ask Kristen or Rufus to give an up-to-date number. It was fewer than 10 as I recall, at least in the period I was looking at. It was quite a small number. Those are usually there for two things: firstly, to reinforce confidentiality obligations if somebody was privy to confidential information - for example, commercial arrangements, or -

**CHAIR** - What, research or something?

**Ms WATKINS** - I will ask the vice-chancellor or Kristen to elaborate on exactly the confidentiality, the range of that. The second thing is usually, in my experience, non-disparagement. Quite often, where you have a parting of the ways, the departing party is quite keen to make sure that, as sometimes there can be difficult circumstances, both parties agree to not discuss the circumstances and, essentially, to be respectful about each other. That's not uncommon, either.

These are not frequently used, in my observation, and they serve a specific purpose. As far as I see it, they do not impinge on any of our policies or values on academic freedom; but Kristen, would you comment on that?

**Ms DERBYSHIRE** - Thank you, Alison. These rare and exceptional scenarios that Alison has just spoke about are highly complex and they involve managing disputes, which have reached a point where resolution is required. It's not an ideal scenario, of course, and we manage it in the best way we can to ensure that the individuals involved are treated with the utmost respect and dignity, and we give them the opportunity to enter into a scenario where they have the appropriate level of protection.



## PUBLIC

These non-disparagement clauses are a very standard clause in any deed of agreement in these scenarios and are now widely used, as Alison has alluded to. They exist to provide protections to all parties involved in those agreements. They are entered into through mutual agreement. It's very important to note that these scenarios are very much designed in order to ensure that an appropriate outcome can be achieved in complex circumstances

**CHAIR** - There's one circumstance that's pointed to in the submissions where it involved payouts and non-disclosure agreements as if, 'well, this is your payout, this is the non-disclosure agreement you're going to have to sign if you want the payout'. Is there a circumstance that you can think of that - ?

**Ms DERBYSHIRE** - I won't go into individual circumstances out of respect for the people.

**CHAIR** - No, you can't have individual. I understand you can't have individual, but the principle behind that.

**Ms DERBYSHIRE** - It's important to be very clear about the difference between a non-disclosure versus a non-disparagement clause. The scenario that you're speaking about is where a non-disparagement clause would be built in as a standard clause within a deed of agreement. In those circumstances where there is a deed of agreement which is being reached through two parties, there's usually some form of settlement involved in that scenario. Again, that's a very common scenario. I can't think of any circumstance where a deed of agreement would be reached where there wasn't some form of settlement scenario built into it and, again, very much entered into through mutual agreement and with a mutual non-disparagement clause built to protect the parties to the agreement.

Again, I'll just reference the fact that these are complex, difficult circumstances, and they do tend to involve not just the employee, but other people across the institution. The protections required and the respect in the way that we treat people in those scenarios are very important to us. These aren't used in any way to gag, for instance, as has been alluded.

**CHAIR** - It's really pointing at a culture, I think, within which these instruments exist.

**Ms WEBB** - Thank you for that response. It all sounds very reasonable, and to hear you say they're not used to gag, it's interesting, because that's how they're experienced. That's what is reported to us. To look at this objectively, in any of these situations, if there has been some sort of dispute and difficult situation internally that's led to someone who is now going to leave, and then there's negotiation as you say - negotiation sounds lovely. Sounds like there are equal parties involved. We know that's not always the case, particularly if there have been some very difficult circumstances leading up to the exit of a staff member from a large institution. They'll often be in quite a vulnerable position. I think that we could agree that there would be typically quite a power imbalance involved.

It's good to hear about respectful processes, and I accept that on face value, your saying that. However, the reality is, the scenario where there's an automatic non-disparagement clause built into that sort of settlement is reported to us as essentially being a gag. The person, in that situation of difficulty and vulnerability, has felt that that needed to resolve it by signing and moving on.

## PUBLIC

I'm presenting that to you anecdotally, because it's what we've heard anecdotally. We'll put questions in to you to get some specific stats to follow up on this, but if there is an automatic non-disparagement clause put into any settlement, that sounds like a fairly regular occurrence. It does sound as though, if it happens as a matter of course, when people are leaving who are leaving after strained circumstances, that it's a good way to gag people who might well have valid things to comment on about the institution in the public domain.

**Ms DERBYSHIRE** - The response that I will provide you with is that it is important to note that - and I've already alluded to this - every circumstance is complex. The individual circumstances that you're alluding to clearly relate to former employees who have experienced challenges and have left on terms that, from their perspective, were not ideal. To come back to your term that, 'it sounds like a lovely scenario' - this is never a lovely scenario. The concept of the power imbalance that you refer to is certainly something that, with carriage of the employee experience and the culture of the institution, I take very seriously as Chief People Officer. In these situations, it's very important that we ensure that all appropriate supports are provided to individual employees where there has been a breakdown of the employee relationship, and where we need to reach some form of resolution.

I do come back, though, to this concept of mutual agreement. If an employee has reached a point in their tenure with the institution where they no longer want to work for the employer and have entered into some form of dispute resolution process with us, then it is a choice type of scenario.

This concept that you have referred to that, as a matter of course non-disparagement clauses, are being built into deeds. That is not a matter of course for the university. A deed of agreement will almost always have a mutual non-disparagement clause built into it and is widely used, as Alison said, by any large employer right across Australia. It is a very standard clause built into these agreements, and these agreements are utilised in these complex scenarios where a dispute needs to be settled and a resolution needs to be achieved. Again, the individual circumstances for the people who have made submissions through this relate to their circumstances, but these are mutually agreed scenarios that we are managing into with these people.

**Ms WEBB** - There is some interesting framing there around 'mutual agreed'. We know, although 'choice' is the way you are framing it, a lot of people probably in those scenarios would dearly love not to be leaving and would dearly love to have resolved things to be able to stay. That is certainly something we have heard. Yet, they feel that they can't, and then leave. I would say that it's not just what we have heard through submissions; it's what has been reported in the public domain and potentially put to us privately as well. I think there are situations there where people have not necessarily participated in this process because of those circumstances, which is a shame. Did you have more on NDAs?

**CHAIR** - Yes. I do; or academic freedom, I suppose.

**Mr GAFFNEY** - Rufus, are you aware of any other university acts within Australia, where they do highlight academic freedom in the act?

**Prof BLACK** - I do not know of them all. I am not aware of one. They exist, but I am certainly not aware of one.

## PUBLIC

**Ms WATKINS** - We do have a comment on it in our submission. In submission six, we have included a paragraph on comparison with other Australian universities. I am sure we could elaborate on that if you would like.

**Mr GAFFNEY** - No, that is fine. I will check up on that.

**CHAIR** - You deal quite extensively in that space, I guess. There is the submission again from Public Universities Australia on the back of their submission - number 27. They have a specific paragraph on supporting academic freedom by reducing the vulnerability of academics to managerial abuse. Now, this is Public Universities Australia; this is not just about UTAS, it is about universities per se. Take from that as you will. They have encountered many instances where the management of Australian universities have suppressed academic freedom and abused academics through fear and intimidation. They say that there need to be changes to the act to help protect academic freedom. They have seven or eight different changes that they suggest.

For instance, first:

UTAS must provide secure, safe, non-exploitative employment, as well as tenured academic employment.

Going down to the last one:

Universities should not include in employment contracts, conditions or termination agreements non-disclosure and non-disparagement clauses (and similar 'gagging' clauses) and must ensure all staff are able to access robust and independent whistle-blower processes and protections.

I am interested in your view on that. Clearly, a lot of these are wordy and you may not put them exactly as stated in an act. There needs to be the opportunity to have them referenced or highlighted. What is your comment on that? That:

Universities should not include in employment contracts, conditions or termination agreements non-disclosure and non-disparagement clauses (and similar 'gagging' clauses) and must ensure all staff are able to access robust and independent whistle-blower processes and protections.

**Prof BLACK** - A few observations to a very worthwhile conversation about where those apply. I would be very comfortable, for example, sometimes when we are exiting an employee because of their conduct, which would constitute a non-trivial number of these cases actually, probably a majority of them. I would be quite comfortable with not having any such clauses in those situations.

Quite a number of these do relate to situations where there has been a serious thing occur and we have initiated the exit of the employee and they are not happy about that. There is certainly a view and I am quite supportive of it actually, that in those circumstances there are none, it is open commentary. I am very comfortable with that. The University of Melbourne have actually just done that in relation to anything to do with sexual harassment, sexual assault. I would welcome that. I would do that.

## PUBLIC

You could easily have a conversation about where you draw the terms in relation to how they are used. They are mutual. There is a mutuality in these things. I am very open to that conversation. If this is seen as some way in which it is limiting academic freedom I do not want it to do that.

This inquiry has been a strong demonstration of the fact that there are many people in our community who have exercised their freedoms under this thing, extensively. We would welcome a conversation about what the kind of parameters of those might be. They can serve some other very good purposes, because equally now we cannot talk about any of the people who may have raised these issues and as Kristen says, some of them are indeed complex.

**CHAIR** - The last part of that, 'access robust and independent whistle-blower processes and protections'.

**Prof BLACK** - Our safe and fair communities process provides an independent pathway for people to raise any number of vehicles of concern. Indeed, even if it comes to the most senior levels, there is an independent pathway that can be raised that does not include me, direct to the chancellor. We have some very strong measures.

**Ms WATKINS** - The general council is able to report to me directly on matters such as that, if they judge appropriate, for example, if it involved a senior member of staff, or something a complainant wanted elevated and was appropriately elevated to council.

**CHAIR** - I do not mean any offence by this, but if it was about you, for instance, or collectively, do you have a process in place where someone can go?

**Prof BLACK** - To the Integrity Commission. We also have clear pathways externally where those things can be reached and they are. That is appropriate. The Integrity Commission does get if people have a concern that the internal process might not deal with it directly. Tasmania has an architecture that enables that to be raised -

**CHAIR** - I chair the integrity committee in parliament so I am aware of that.

**Ms WEBB** - However, we know there are very limited parameters for investigation by the Integrity Commission. Most of us are well aware, who operate in the political area, how often things are not investigated that are put to them rather than investigated. It is not a complaints process, in that sense, external to the university, just to be fully clear.

**CHAIR** - It is a last resort.

**Ms WEBB** - Well no, it is a very specific and limited way of investigating particular sorts of circumstances.

**Prof BLACK** - However, it would relate to the ones for which you would say you need an external process to deal with it. It would be a good mechanism if none of our internal mechanisms were judged to be effective for somebody. It does have more than a broad enough remit to cover the things you quite legitimately raise at the most senior levels.

## PUBLIC

We have both internal, very substantially, carefully documented, publicly-transparent internal processes for managing complaints of full range of variety. We have an alternative kind of pathway if it relates to very senior matters and somebody does not want to go through anything that might intersect with an executive community. They are well-documented. They are publicly-transparent and they are subject to the audit and risk committee's compliance monitoring. They actually monitor the way in which those processes are being used so it also has governance, oversight and transparency.

**CHAIR** - With respect to that audit and risk committee, how is it set up? Who is on that and how does it operate?

**Ms WATKINS** - Our audit and risk committee is chaired by a council member, Alicia Leis, and we have a number of members of council on that. I sit on it. Then we also have two independent members from the accounting profession with deep industry experience, strong connections to Tasmania and so forth, who we have regarded as valuable independent additions to the committee,

**CHAIR** - Some might look at that and say it is an audit and risk committee, but the chancellor chairs it.

**Ms WATKINS** - No, I do not chair it.

**CHAIR** - You are on it?

**Ms WATKINS** - I sit on it, yes.

**CHAIR** - So who chairs that?

**Ms WATKINS** - It is chaired by Alicia Leis who is a partner at Wise Lord & Ferguson. She is also on the council.

**CHAIR** - And who appoints that person, council?

**Ms WATKINS** - Council.

**CHAIR** - Through what process?

**Ms WATKINS** - A little bit of Alicia's background. I alluded to the two independent members we have had on the audit and risk committee typically. She has been one of those so she had had a good opportunity to learn about us over a period of time.

**CHAIR** - Sorry, I do not mean to interrupt too much. I am sure she is a well-qualified person. It is not the chair as an individual I am interested in, it is the process, so the council appoints the chair?

**Ms WATKINS** - Yes.

**CHAIR** - If somebody has a complaint and they go to somebody and they raise a certain aspect, it might then go to the audit and risk committee. It might be that it is the executive that is the issue and yet the executive appoints effectively, because they recommend the

## PUBLIC

appointment of the chair. Can you describe that for me and say why I am running down the wrong track there?

**Ms WATKINS** - Sorry, are you suggesting that the executive, Rufus or his team, suggest who should be the chair?

**CHAIR** - Who puts the chair up? Who appoints the chair?

**Ms WATKINS** - That is a council decision.

**CHAIR** - But who recommends the council? Can you describe that?

**Ms WATKINS** - We have a remunerations and nominations committee of the council which I described yesterday. Its role is to propose new council members and to also manage the succession on our various committees. It is a process we use against the backdrop of the skills and experience and attributes matrix I also alluded to yesterday. We are constantly thinking about our future requirements and we have only recently had a succession of our audit and risk chair; so, it is a position we have been thinking about for some time. We think about the attributes and having someone who is a well-respected accounting professional. That is how it works. As I mentioned yesterday, our remuneration and nominations committee also has independent members. It is not only constituted with members of council, so we have the benefit of those independent perspectives as well.

**CHAIR** - The agendas for those audit and risk committee meetings, how does that operate? Who sets the agenda?

**Ms WATKINS** - There is a cycle. We would have an annual work plan. With audit and risk for example, we had a rather long meeting last Friday which we spent extensively on our financial statements. As you would appreciate, being year end, we are in the process of finalising those. We heard from the Auditor-General. There is a cycle and we include on the audit agenda, generally speaking, matters of financial performance, financial statements, matters relating to risk and our enterprise risk management framework, risk reporting, matters related to compliance and compliance reporting. Then there are various other ad hoc, but those would be the major items. That agenda, we would know the next agenda is in May and we would at least roughly know what is on that agenda.

**CHAIR** - You probably understand why I am asking the questions, it is just about transparency and process and making sure those processes give the best opportunity for proper governance.

**Ms WATKINS** - Yes, and the audit committee is in a particular category where the requirements of what it does quite specifically set out in some of the regulatory requirements, for example, that are imposed on us through our funding and also through TEQSA and so forth. Also, the university's best practice governance code includes some specific attributes on what is expected of an audit committee.

**CHAIR** - I realise we are on academic freedom, independence and autonomy, but some of those matters might actually end up on that.

## PUBLIC

**Ms WATKINS** - Certainly and we do, for that reason - well, not only for that reason, we have many reasons - include, Natalie, as chair of academic senate on the audit committee membership because, for example, academic risk, compliance matters on complaints and so forth that may come through the academic stream, it is very important we have that perspective on the audit for this committee.

**Ms WEBB** - Just a note you pointed out, Rufus, that a lot of people have freely expressed their views within the context of this inquiry and of course, what is not visible is the people who did not, so yes, we can note those who did, but we are not privy to those who have not.

**CHAIR** - We cannot know who did not come for that reason.

**Ms WEBB** - I was interested you said you would contemplate not having particular clauses in deeds of settlement, is it something that people can negotiate currently, to remove those clauses from their deeds of settlement?

I also wanted to come back to an earlier answer the chancellor provided because you read out that part of the policy that relates to freedom of academic staff and students to express their opinion in relation to the higher education provided in which they work or are enrolled, that is explicitly there in the policy, which on paper, is good and you mentioned engaging with the VC about that as council and being reassured because the VC speaks very passionately about protection of academic freedom.

But we know though that what sits below what is on paper is culture. What there has been an indication of, in evidence we have received and heard, has been pointing to some elements of culture which do not look like what is on paper. How have you, as the chancellor and the council, explored or sought to actually monitor or measure the culture that exists below what is on paper so, that comfort you have from what is on paper can be reinforced by comfort about culture?

**Ms WATKINS** - Yes, it is an important question and it is something in other organisations I have been involved in. We spend a lot of time, as we do, at the university challenging ourselves as a council because we are ultimately responsible for the culture of the organisation. As you say, you can have things on paper, but how do you really know that those are being lived? There is no simple answer to that. There are a range of metrics we look at and the engagement survey, which Kristen spoke to, is certainly a very important set of metrics that provides a lot of detail about what our people are feeling good about and then what they are feeling less good about. However, equally important are some other things such as understanding turnover, for example, who is leaving, why they are leaving, retention, understanding.

Culture goes to really all the members and classes of the organisation. Students, and understanding the student experience, it is interacting with TEQSA, it is challenging ourselves generally as a council, as to who we are interacting with on a formal, and, as we spoke about yesterday, on an informal basis and it is transparency and trust between management and the council. Do we see situations, for example, where we feel surprised, perhaps, by something that has not been properly foreshadowed? Do we feel situations where there is a lack of trust?

Compliance reporting is another really important source of insight about the culture of an organisation. Are we an organisation that by and large are compliant with policies or are

## PUBLIC

we seeing breaches? What kind of complaints are we seeing come through the safe and fair community unit? Those areas are also really important and insightful around culture. It is one of these areas where, as a council, we have to make an assessment from a range of data points and you cannot boil it down to a single one.

Another important aspect of culture I look to is, is there a mindset of learning, of openness, of willingness to acknowledge and change? Or is there a closed mindset, a defensiveness? These sorts of things come through in the style of the interactions and we have quite a number of people at any council meeting. It is not only the vice-chancellor, certainly. To see the style with which people interact and their openness to accept that we are not doing as well as we would like to be in areas and we can improve versus a defensiveness. All these things are important.

**CHAIR** - Yet we are receiving significant issues coming forward. Some people saying it is a toxic work environment, those sorts of things. Clearly something needs looking at further there.

We have run out of time today. The committee will deliberate as to what we do from here with regard to other information we may need. Should they decide to have you back, would you be prepared to come back?

**Ms WATKINS** - Of course, yes.

**CHAIR** - I said should the committee.

**Ms WATKINS** - Yes, if the committee decides and we would certainly appreciate the committee framing up specific requests we have discussed.

**CHAIR** - We will certainly do that.

**Ms WATKINS** - We are here to serve you.

**CHAIR** - I do thank you for the very fulsome amount of time you have given us. It has been a day and a half. Not insignificant preparation on your part - 15 parts to your submission. Certainly, you've put some effort into that. We do appreciate that. There will be other information that we require before the inquiry's complete, I am sure.

Thank you again.

**THE WITNESSES WITHDREW**

**The committee suspended from 11.48 a.m. until 12.00 p.m.**

**CHAIR** - We welcome you, and I will introduce the committee members to you. We have Mike Gaffney, Rob Valentine, Meg Webb, Sarah Lovell and Nick Duigan. Nick will be back with us very shortly.

Would you mind making the declaration that is before you, please?



## PUBLIC

**Mr ROBERT HOGAN** WAS CALLED, MADE THE STATUTORY DECLARATION, AND WAS EXAMINED VIA WEBEX.

**CHAIR** - Thank you for attending today, and for your submission. For the record, it is in relation to the Legislative Council Select Committee Inquiry into the Provisions of the University of Tasmania Act 1992. It is important to note that all evidence taken at this hearing is protected by parliamentary privilege. I remind you that any comments you make outside the hearing may not be afforded such privilege. There is a copy of the information for witnesses statement. Have you read that statement?

**Mr HOGAN** - Yes, I have.

**CHAIR** - Thank you. Should there be anything you feel you need to say in camera, let us know that and we can deliberate on that, and as a committee either accept or otherwise that opportunity for you. Are you aware of that?

**Mr HOGAN** - Yes, thanks.

**CHAIR** - We will give you the opportunity to make an opening statement. I will remind you that the information that we are seeking is specifically relating to the terms of reference that you are aware of. We are aware that you have sent through some further information this morning. We have not had the opportunity to have that tabled in any way or accepted by the committee, but if you wish to cover the information you have sent us, then by all means there is an opportunity to do that in your opening statement.

**Mr HOGAN** - Thank you, I allude to the documents and it may be that in the light of questions in particular, you would want to look at some of those documents.

**CHAIR** - Okay, thank you. If you can keep close to your microphone, that would be good. That is much better. Over to you, to address your submission.

**Mr HOGAN** - I would like to start by saying that there has been quite a lot that has happened since I made my submission in August, including the provision of thousands of pages of relevant documentation to me, including, for example, 778 pages from Infrastructure Australia, so in some ways, I will be quite significantly updating my submission.

Thank you to the committee for inviting me to appear here today. I see this inquiry as a wonderful opportunity not just to improve UTAS's governance and accountability but to establish a best practice model that might serve as an example for others.

I intend to briefly comment on my background; my research on UTAS; the 2012 amendment to the UTAS act and membership of the UTAS council; accountability and the failure of accountability; UTAS lack of transparency; and requirements for borrowing and capital works.

To briefly outline my background, I worked for 30 years in the Commonwealth public service, including 19 years as a senior executive. I have a long-standing interest in governance dating back to significant involvement with Commonwealth GBEs in the 1990s. I also served as a director, nominated by the Commonwealth Government to the board of ANCAP Australasia Ltd from 2010 until my retirement from the public service in January 2016. Within

## PUBLIC

a varied career, for five years I managed a multi-billion dollar transport infrastructure program as well as having personal involvement with a number of major projects.

Moving on, I believe a decision of such historical, social and economic importance as the proposed move of UTAS's southern campus to the Hobart CBD and the development of a new suburb on the Sandy Bay campus site should be the prerogative of the Government and the parliament, who are answerable to the Tasmanian people, not of the UTAS council.

Since March 2022 I have been exploring through a series of right to information (RTI) applications and other research what, if any, substantive evidence there is to support UTAS's three main arguments for its relocation, namely: to ensure its financial viability; to improve student access; and to reinvigorate the city. At the same time, I have sought to explore the decision-making processes of the UTAS council; UTAS's relationship with the state government; and the extent to which state agencies have analysed UTAS's arguments for a CBD move.

I have spent the last year pulling away a veil of secrecy that should not be there. The proposed CBD move is the prism through which I have seen the terms of reference for this inquiry; but many of the issues I have identified have equal if not more applicability to the other various serious concerns staff, students and members of the public have raised about UTAS, including issues of online learning and mental health. That matters have reached the current point represents a failure of accountability, a failure of transparency, a failure of government and a failure by the parliament.

I see 2012 as a crucial point in the development of this situation. While there was a series of amendments to the University of Tasmania Act 1992 between 2001 and 2012, the amendment in 2012 was the most significant. It implemented an extreme version of the University chancellor's voluntary code of best practice for the governance of Australian Public Universities 2011, which radically altered the composition of the UTAS council. This extremity is exacerbated by UTAS's own council membership procedure.

As you noted, I have emailed a number of relevant documents, including a table showing changes to UTAS council membership through time, which I would be happy to elaborate today. On a particular point, I believe VC Black indicated yesterday that ministerial appointments to the UTAS council were akin to elected members. If so, this is nonsense. In fact, if I had wanted to design a council in which groupthink could be embedded I do not think I could have done better than UTAS's current model: a council able to self-perpetuate, with staff and student voices minimised, meeting seven times a year and dealing with 400 to 500 pages of documents each meeting, as Professor Jamie Kirkpatrick told the committee.

This is also the perfect recipe for a strong vice-chancellor, with the support of management, to exercise dominant influence. The dangers inherent in this situation are clearly demonstrated in the 513 pages of UTAS council minutes made available to me on 16 January 2023 after 10 months of waiting, and after involvement by the Ombudsman. In those 513 pages, I've only been able to identify one questioning or dissenting voice: that of Professor Kirkpatrick.

Moving onto accountability - even after the 2012 amendment, however, a number of accountability links remained between the UTAS act and the government and the parliament, and indeed much of the debate about the 2012 amendment in the upper and lower Houses

## PUBLIC

emphasised UTAS's accountability. Then shadow ministers Mr Ferguson and Mr Rockliff were prominent in this regard.

It is also notable that in December 2021, Moody's - in providing UTAS with its high credit rating for the issue of the \$350 million green bond - stated that UTAS was subject to:

High levels of oversight by the state and Commonwealth governments.

Yet, in answer to a question in parliament on 27 October 2022, the Premier, Mr Rockliff said:

The decision to relocate the southern UTAS campus and how that may align with the university's educational priorities is a matter for the University of Tasmania as a private organisation.

In response to another question on 8 November 2022, the Premier, Mr Rockliff, implicitly corrected himself by defining UTAS as a 'statutory corporation'. But he also said:

I know there are some who think the Tasmanian Government should intervene in the university's plans under the mistaken belief that we have a responsibility for the university. This is incorrect.

The Premier is still wrong. What changed between 2012 and 2022? From the time of VC Le Grew, UTAS has been building its presence in the CBD in a piecemeal way, at least sometimes with a strong rationale and good results.

However, from documents obtained through RTI and other sources, it is clear that by 2015, VC Rathjen had a clear plan to relocate the UTAS southern campus into the Hobart CBD with a proposal for a new STEM facility representing the thin edge of the wedge. By 2016 and probably 2015, it seems that then premier Will Hodgman was on board with this plan, although he did not commit state funds.

As the UTAS proposal extended well beyond its educational remit, as soon as then premier Mr Hodgman became aware of VC Rathjen's plan, good public policy would have been for him to seek a formal proposal from UTAS. This should then have been subject to critical scrutiny by ministers and government agencies. Arguably, at the same time, the parliament should have been informed and processes for public consultation started by the government, not UTAS. Instead, it seems to have become unofficial government policy to support the Rathjen plan from 2015-16 without bringing the matter into parliament, or the public realm. I stand to be corrected on that.

Documents obtained under RTI also indicate that UTAS proposals for a CBD move have never been independently analysed or tested by Tasmanian government agencies. Indeed, the agencies seem to have unquestionably accepted everything UTAS has said with no assessment of economic and social issues. Instead, there is now the flimsy notion of the Government having 'visibility', to quote the jargon of UTAS's plan, through the City Deal, when it should have control of the situation.

## PUBLIC

Snowy 2.0 shows what can happen when ministers and government agencies are not appropriately engaged in assessing projects. Costs can blow out massively, and project viability comes into doubt.

I have read the STEM business case and the 34 per cent - not 100 per cent - of the Southern Future business case of the CBD move that UTAS has left unredacted. I note that UTAS has even redacted the traffic study in that business case, and you'd have to ask why. In my professional judgment, both the STEM and Southern Future business cases appear to have been constructed to favour CBD relocation. You could drive a truck through some of the assumptions, and this should have happened long ago.

As with all public institutions, the risk of any losses by UTAS would be carried by the public. I understand from part 13 of UTAS's submission to the inquiry that Deloitte Access Economics has updated the analysis on the Southern Future business case. One major change UTAS notes since the Southern Future business case was produced is that the value of the Sandy Bay site has increased very significantly.

My rough calculation, it is rough because all the bases of doing a calculation are not there, is that the value ascribed to the land may have tripled between 2019-22. This places UTAS in a strong position to profiteer from its new-found role as a property developer of land gifted to it by the Tasmanian people if you have faith in the analysis. Remember the taxpayer would be at a risk, not Deloitte Access Economics, not UTAS. I have submitted an RTI application for Deloitte Access Economics' research but given the circumstances, I believe it should immediately be made publicly available with redactions as only absolutely necessary.

Moving to transparency, I consider that UTAS's whole approach is poor. UTAS does not routinely publish the council minutes in any form for reasons that are unclear, it used to, I note. A section of the UTAS council minutes provided to me for 2018 that deals with this very issue has been redacted. Like Professor James Guthrie and John Lawrence, I am highly critical of UTAS's annual report. The few pages of text are vapid and full of jargon, while the accounts that are presented in a form that appears deliberately opaque, rather than transparent. There is no detail on consultancies, an area that causes much public concern. I heard Vice-Chancellor Black's comments on this today, he made a simple question sound difficult. It is easy to publish details of consultancies. Commonwealth agencies are required to do so.

While there was seemingly a rush to adopt the chancellor's code on governance in the 2012 amendment, there has been no such rush by UTAS to adopt the Australian Universities Vice-Chancellor and Senior Staff Remuneration Code. I believe that UTAS should adopt this and publish senior salaries and university council fees, with the recipient's name identified, like the Australian National University does, rather than in anonymous bands. If UTAS is not prepared to do this voluntarily, it should be mandated as should other annual report requirements.

With respect to right to information, I believe UTAS's approach has been exactly the opposite to the intent of the Right to Information Act, which is that as much information as possible should be released. It is only since I started submitting external review applications to the Ombudsman in August 2022, that I have achieved any real measure of responsiveness by UTAS.

## PUBLIC

To briefly cite some examples: One, on 24 March 2022, I sought copies of all UTAS council minutes for the period 1 January 2015 to 24 March 2022. UTAS unilaterally reworded the scope of my request, which is not allowed by the Right to Information Act, and provided me with 22 pages of heavily redacted extracts on 27 May 2022.

After an unsatisfactory internal review, I referred this matter to the Ombudsman and UTAS provided me with a re-made decision and a 513-page document, compared to a 22-page document, including redactions on 16 January 2023. As I noted previously, 10 months after my initial request. The 513-page document revealed that UTAS had not only interpreted its own scope subjectively and haphazardly as I anticipated but, as I had not anticipated, in clear breach of section 22 of the Right to Information Act, it had excised material that under any interpretation, should have been captured by its own reworded scope and had done so without indicating this, let alone explaining why.

For example, in the case of the critical council decision to move to the Hobart CBD on 5 April 2019, 91 per cent of the relevant text of the minutes was excised.

**CHAIR** - Mr Hogan, if I can just interrupt there. We have a lot of that information in your actual submission. I guess it might be worthwhile hearing how - what the latest information is with regard to RTI, whether you have anything fresh that is actually not in your submission. Particularly the terms - because we have to concentrate on the terms of reference as opposed to the move of the university into the city, it is important for us to be able to hear your comments on changes to the act and how best the act might better improve the governance of UTAS. Could you just comment on that side of it?

**Mr HOGAN** - The material I am adding now is new to my submission and I think it goes very acutely to the issue of transparency.

**CHAIR** - Okay.

**Mr HOGAN** - I think it goes to very serious issues of governance within the university and there are some important issues that I think need to be picked up from comments made by UTAS yesterday, so if you can just bear with me, I have not got much to go.

**CHAIR** - That is okay. We have until a quarter to, that is all and I am keen to make sure that there is opportunity for questions.

**Mr HOGAN** - I am nearly finished.

**CHAIR** - Okay, thank you.

**Mr HOGAN** - The second example, on 12 April 2022 I sought detailed information on UTAS's consultation prior to its 5 April 2019 decision to move into the Hobart CBD. UTAS has still only provided summarised descriptions of that consultation, which based on participants' comments to me understate the level of hostility to the move.

This is consistent with the way UTAS carefully structures consultation and curates the result. Vice-Chancellor Black was simply incorrect yesterday when he said that all relevant papers have been made publicly available.

## PUBLIC

Three, and this one is new, brand new. On 3 May 2022 UTAS refused three of my RTI applications and on 5 May I lodged an application seeking evidence to justify this refusal. UTAS avoided the request for evidence, both in its primary and review decisions.

After taking this matter to the Ombudsman I received a re-made decision by UTAS on 8 December 2022, seven months after my application providing what appears to be the evidence I originally requested. Apart from the question of why, if the evidence was available, it was not provided to me straight away, the form of evidence raises a number of questions which I am pursuing with the Ombudsman.

I have had unsatisfactory responses from UTAS on a number of RTI applications, including in relation to overseas fact-finding missions, UTAS's claim that UTAS staff will spend \$15 million a year in the CBD and my request for the STEM business case and Southern Future business case. I also have issues with the 513-page set of council minutes released to me. I would be happy to provide the committee with further information.

As a public institution UTAS should be acting as a model litigant. Its response to my and other people's applications indicates that it is uncomfortable with this role. I also note that in 2016, it made a submission to the review of the Integrity Commission Act that it should not be covered by that act. Given UTAS's performance when it comes to transparency, the committee may wish to give consideration to mandating a requirement for UTAS to act as a model litigant.

Final section - requirements for borrowing in capital works. Section 7(2) of the UTAS Act requires UTAS to seek the written approval from the Treasurer to borrow money. I currently have an RTI application with Treasury seeking to explore the process around UTAS's borrowing of \$350 million through the issue of a green bond in February 2022.

I think the parliament is entitled to ask: why did UTAS borrow this money and why did it do so through a bond issue, rather than TASCORP? Did the Treasurer approve the borrowing? Should the Treasurer have to inform the parliament of such borrowings. Ultimately UTAS is employing taxpayers' funds, with taxpayers bearing the risk, another question worth considering is whether UTAS should seek to have the Treasurer's approval of capital expenditure above a certain level and whether such approval should also have to be notified to the parliament. If such a provision had been in place, UTAS may have found it difficult to continually pre-empt its own CBD-move decision by purchasing CBD properties without public articulation of its larger plans and without the Government having to declare its hand on UTAS's proposed move.

In summing up, I believe that there are major issues with UTAS's governance and accountability arrangements, making changes to the UTAS Act desirable. Including considering changes, thought could also be given to ensuring the Government plays its appropriate role as a link in the accountability chain between UTAS and the parliament.

Thank you for your forbearance, Chair.

**CHAIR** - No, that is fine, thank you. A point of clarification, you were talking about university borrowings, significant borrowings. Is that the investment by Dai Ichi that you are referring to?

## PUBLIC

**Mr HOGAN** - Well, they issued \$350 million through NAB and the Commonwealth Bank and Dai Ichi took up about \$100 million of it.

**CHAIR** - Okay. I just wanted to clarify that, because the university did address some of that in our earlier hearing. Were you online when that occurred?

**Mr HOGAN** - I was, and I might point out, I have written two blogs on the issue of the green bond and I have questioned how green it is.

**CHAIR** - Okay, well thank you for that. As I say, our inquiry is about the University of Tasmania Act and the provisions of it, so quite clearly some of the things you raise might question the way the act looks and you have made some suggestions for changes.

If I turn to the constitution, functions, and powers of the university in your submission where in the last paragraph you say that the University of Tasmania has basically been able to potentially alienate its entire Sandy Bay campus without community approval or government oversight and, at the very least, an amendment to the 1992 act should be passed to require approval from the government in respect to any significant dealings on the Sandy Bay site.

Now, obviously an act of parliament does not name up specifically - well, there is a schedule with land associated with it, but it needs to be general in nature. However, you are saying that the act needs to change to allow ministerial approval on dealings with land, whether it is in Hobart or in Launceston or wherever it might be; and that ministerial approval needs to be given or Treasury approval. Can you expand on how you think that should be approached?

**Mr HOGAN** - I got to this in the last section, but obviously, we are not going to return to a provision that prevailed pre-1992 -

**CHAIR** - Why do you say that?

**Mr HOGAN** - I would love that to occur, but I assume it may not be practical any more, but I think if you placed restraints around borrowings and purchases or sales above a certain materiality threshold, that you could potentially exercise that sort of control anyway. Going back to 1992, and I have had discussions with Julian Amos, who was in the parliament at the time, there was a lot of emphasis on accountability arrangements in then minister Mr Beswick's second reading speech; but it is Julian Amos's firm view that they were envisaging a situation in which small parcels of land might be sold off in relation to commercial and third-party agreements. However, if there had been any contemplation given to sale of the Sandy Bay site as such, the parliament would have been very firmly against it. As it was never debated, we do not know that for a fact.

The sort of thing that Julian had in mind is that you might want to give the university some flexibility to deal with land holdings to some extent is not an unreasonable one. Perhaps something less than wholesale or straight-out sale or leasing would be appropriate.

**CHAIR** - Thank you for that. You go on to talk in the constitution roles, powers, and obligations of the council and the academic senate that there needs to be greater participation by academic staff and/or elected representatives. Do you want to expand on that, as to how you see that happening?

## PUBLIC

**Mr HOGAN** - I don't have a prescriptive view on it, but I'd note a few points about what was done in 2012. The first thing is that 17-person council as it then was, I believe would have fitted quite easily into the university chancellors national code of governance, subject to there being the right skill mix which, having looked at the membership of council, I think there probably was. So, you could argue that the whole change was unnecessary. There was an argument that council should be reduced from 17 to 14. That argument was based largely on the fact of it being streamlined enough to be able to meet monthly; whereas I note that in recent years at least it has only met seven times a year. That streamlining argument appears to have gone a little bit by the wayside.

While there have been changes to the structure of the council before then, in many ways the one in 2012 was the most radical in reducing numbers from 17-18 to 10-14. It has basically operated at 14. Two places were taken off elected academic representatives. Two places were taken off ministerial appointees. Direct appointments by the council went up from four to six. It's quite clear that council-appointed members were the beneficiary of that. At the same time you had a vice chancellor and you had a chancellor elected or appointed by the council.

Going to the issue yesterday, where I think, correct me if I'm wrong, Vice-Chancellor Black indicated that the two government appointees were de facto elected representatives, as I say that's just nonsense. Section 8(5) of the act says:

- (5) Before making an appointment to the Council, the Minister and the Council must -
- (a) give public notification of the vacancy; and
  - (b) consult with each other about any intended appointment; and
  - (c) have regard to the balance of skills and experience, regional representation and the appropriate gender balance.

Notionally, all eight Council ministerial appointments are a matter for consultation with the university, even in the act. When you go to the university council membership procedure, the provisions become even stronger, in that it is the university that manages the whole of the ministerial appointment process.

You can reasonably argue that all 10 of those appointments are subject to reasonable amounts of influence, if not controlled by the university, especially as, given what the university calls a 'matrix' - probably because some consultant said 'construct a skills matrix' - is just a fairly arbitrarily put-together list which would enable the council to pull out any one of the things listed and say to the minister, 'well, we need someone of that kind'.

A properly constructed skills matrix would have the skills listed, and then it would have the attributes such as gender, regional representation, Indigenous qualifications listed as columns. It wouldn't be in a list. You can read that as very much a control mechanism, and I urge committee members to read section 5 of that on ministerial appointments. It's again, not clear who is running the government.

**CHAIR** - Your ultimate premise is that it needs greater scrutiny by those who are elected from the community, and therefore a member from the Legislative Council, a member from



## PUBLIC

the House of Assembly for instance would provide that better than the current arrangement of ministerial selection for those two positions?

**Mr HOGAN** - I am not going to be prescriptive. It's for the committee to make those sorts of judgments.

**CHAIR** - We form our judgments and recommendations based on the evidence we receive. That is why I am asking the question.

**Mr HOGAN** - The vice-chancellor's code specifically precludes representation from the upper or lower House. That is one thing it does do. However, I think the whole balance between appointed and elected representatives needs to change because in the appointment of elected representatives you do have the recipe for self-perpetuation and groupthink.

**CHAIR** - That is an interesting perspective. I will see if other members have questions. We only have about eight minutes left.

**Ms WEBB** - Thank you, Mr Hogan. I note on page 12 of your submission, you have some comments about the annual report and whether it is sufficient or not. When we discussed that in the hearings earlier today, it was suggested that over time while the annual report may have shrunk a bit in size and perhaps complexity, there are other elements of information about the university that are in the public domain - on the website and in other ways that are publicly disclosed - so the totality of information that is publicly available may be regarded as sufficient. Do you have a response to that idea - that it is not just the annual report and its size and scope that is relevant but a totality of information available?

**Mr HOGAN** - Yes, I basically think that is rubbish. I have been over UTAS's website fairly thoroughly and the sorts of things I heard you say would be good to see in an annual report aren't available on the website, either. If you are looking for segmentised reporting, if you are looking for transparency in the accounts, then they are not provided on the website. Going back to 2010 the report was better, to me, in that it went to data surrounding key activities but if you want an example of a good annual report then the annual report of the ANU is pretty good.

**Ms WEBB** - Can you outline key characteristics that make it a better reporting model than the one we have here for UTAS?

**Mr HOGAN** - All the statistical data that you were asking for this morning is available in that annual report. You see incredible levels of detail on student enrolments and other aspects of student activities as they pass through the university. You get that transparent reporting on staff activities. You get much more explanation in relation to the accounts, and you come away from that report feeling you have a good idea of what the university is doing and what it is achieving against its key performance indicators. That is not there in UTAS annual report and it is certainly not there online.

**Ms WEBB** - Can I check with you about that? In terms of the scope and the characteristics of that ANU report, is that documented somewhere as a requirement, the things that are included in that report; or is it something that ANU in an individual way has chosen to do in terms of its reporting?

## PUBLIC

**Mr HOGAN** - That is a good question. It could be covered by the foundational Commonwealth legislation. When you look at the NSW universities there is articulation of some of the things that should be in the annual reports of public institutions. You certainly would want to be articulating things that are fairly significant in terms of assessing the performance of a university in legislation. I know there was reference to that report being static, but that does not preclude having updated material available on the website, but that updated material is not available on the website at all.

**Ms WEBB** - In terms of having a more contemporary ongoing reporting arrangement, there is some suggestion of six-monthly reporting or more frequency than just that annual report of information being put into the public domain. Is that something that you can put to elsewhere as a requirement in this sector?

**Mr HOGAN** - I believe there is a requirement for, I think John Lawrence talked about this, some universities have a requirement for that forward-looking strategic plan. I think it is a reasonable ask, given that the annual report requirements are fairly loose in the current act, for the parliament to seek more regular reporting, either to the minister or directly to the parliament.

**Ms WEBB** - It may be that that sort of planning document and discussion was had between the university and the government and relevant departments, but not brought to parliament. You have just done a bunch of RTI-ing, is there any indication to you that that sort of regular forward-looking reporting and interaction happens? Obviously, we can ask this of UTAS, but while you are here and given you have sought information about it, if you think you have received any, could you share it with us?

**Mr HOGAN** - I have 154 pages from three government agencies so far and while they are fairly disappointing overall, I do not think they reveal any meaningful reporting from UTAS going to government. However, things that are revealed in those papers are that there are high level meetings between the VC and the Premier. They reveal that, when it comes to the City Deal, for instance, UTAS representatives come into meetings and present data or views that go totally unchallenged.

I have never received anything I would call a formal report, so the whole affair just seems to me to be fairly informal in a way which I think is anathema to good public policy.

**Mr GAFFNEY** - We have just also received the copy of the Australian Universities' Vice-Chancellor and Senior Staff Remuneration Code you mentioned earlier. Do you have a comment on what you have heard this morning in relation to what you have sent us? We really have not had a chance to have a good look at it, but I would like to get it captured on the *Hansard* transcript, if you would like to make a comment.

**Mr HOGAN** - I found UTAS's attitude this morning incredibly defensive. I do not see that it is a big ask to be reporting the salaries of senior staff, by name, and the fees received by council members, by name. ANU does it. The voluntary code, with some force, seeks it, and I think such reporting should be a matter of course. I think it may go a long way to allaying some of the issues I have heard raised throughout the duration of this inquiry.

**Mr GAFFNEY** - Thank you very much.

## PUBLIC

**CHAIR** - I am aware we did start slightly late and we will give you another couple of minutes. In relation to something you raised on the bottom of page 15 of your submission, regarding public relations campaigns, now, I am not focusing on the CBD move, but just in terms of how funding and the expenditure of funds on those types of exercises, do you want to make a comment on that?

**Mr HOGAN** - I will just say that - I am looking for my comment -

**CHAIR** - It is under subheading public relations campaigns.

**Mr HOGAN** - I think that consultancies of any scale should be published, particularly consultation and PR campaigns. All the expenditure on the Vote Yes campaign should be freely published. More significantly, I think bound up with that is that a lot of research and even reports are provided to UTAS which never see the light of day. I think that is the case with the engagement strategy that went as part of the Southern Future business case to the UTAS council meeting on 5 April 2019. I might say that UTAS actually gave me an earlier version of that, with which supporting tables and a paragraph were missing from the document. I found that a bit odd. I just do not understand why, when supposedly there is a commitment to put the consultation documents into the public domain, what we are getting is a very high-level engagement strategy document that went to council in 2019 and all sorts of generalised statements there are. I think we should have all the documents and all of the details of the consultancies and PR work that went with them.

**CHAIR** - And as far as the annual report is concerned with things like that?

**Mr HOGAN** - Commonwealth agencies have to list annual consultancies above a materiality threshold and I think that is absolutely good and sound practice.

**CHAIR** - A final comment with respect to the Commonwealth funding model for universities, do you have any comment on the sufficiency or otherwise of the Commonwealth funding model?

**Mr HOGAN** - I have been trying to get a meeting with the Department of Education for a little while just to ensure I could get my head around it. I would say one thing. I do not think, notwithstanding the protestations I have heard, that UTAS has ever made a convincing case that what it has is not currently sustainable. I might point out that if it is true that Sandy Bay land values have increased from, say, \$120 million to \$350 million, which is a very big increase in three years time, potentially, you could look at all sorts of different options.

**CHAIR** - We have run out of time. I wanted to say to you that it is important to note that all evidence that has been taken at this hearing is protected by parliamentary privilege. I need to remind you that any comments you make to the media or others outside of this hearing, even if you were to repeat what has been said here, will not be protected. Are you aware of that?

**Mr HOGAN** - Yes, I am. Thank you.

**CHAIR** - Thank you for taking the time to come to present. Clearly, you have done a lot of work and you spent a lot of your time getting documentation and the like together and we note that. We note the various difficulties you have had in obtaining information. That is

## **PUBLIC**

interesting and no doubt the committee will deliberate on some of that information you have provided for us in that regard.

**THE WITNESS WITHDREW**

**The committee adjourned at 12.50 p.m.**