



**TUU Inc. Submission to Inquiry into the Higher
Education Legislation Amendment (Student Services
and Amenities, and Other Measures) Bill 2009**

University of Tasmania

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The Student Bodies at the University of Tasmania

The University of Tasmania, pre-VSU has had two separately incorporated student organizations, the TUU Inc. servicing students enrolled in the South of the State and the SA Inc. servicing students enrolled in the North and North West (Cradle Coast). Both of these organizations were autonomous, student-controlled entities.

The TUU Inc. is one of the oldest University Unions in Australia, formed only a few years after the University itself and has been serving students since 1899. It has both commercial and representative 'arms' and manages a number of commercial operations on the Southern campuses of the University of Tasmania. The TUU has a 600-room student Housing Scheme in addition to the on-campus commercial operations and services.

The TUU Inc. State Council (SC) has three main subsidiary councils, the SRC North, SRC South, and SRC Cradle Coast. State Council also has a State Postgraduate Council. The SRC South has two major subsidiary councils, the Sports Council and Societies Council that affiliate and manage student controlled groups, and also accommodates and funds the International Students Committee.

The SA Inc. was formed in 1979 when the Launceston campus was established. The SA Inc. also had a commercial and representative arm and managed a number of commercial operations in the North of the State. An external commercial operator was granted a license to operate a cafe on the Cradle Coast UTAS campus. The SA was not as formally structured as the TUU but also facilitated some clubs and societies and an International Students Committee.

As a result of VSU and as a precondition to any funding from UTAS, the two student bodies have been forced to formally amalgamate. On the 1st of April 2008 the Tasmania University Union Inc (TUU) became the single state-wide student organisation for UTAS and its students.

Finally, at the end of 2007, the University of Tasmania and the Australian Maritime College (AMC) formally amalgamated. The AMC has a Student Association, the AMCSA, which is also a separately incorporated body from the TUU and SA. The University has indicated its desire to only negotiate with one State-wide student body, and as such discussions are underway to amalgamate the AMCSA with the TUU.

The Financial Impact of VSU on the TUU Inc

Prior to the introduction of VSU, the student organizations received Services and Amenities (S&A) Fee Income from UTAS students which translated into approximately \$2.2 million dollars per annum.

The fee revenue was collected by UTAS and distributed to each student body according to EFTSL ratio. As a result of this apportionment, the TUU Inc. in

the South previously received two thirds of the 70% Fee income and the SA Inc. received one third of that income to service Launceston and the Cradle Coast.

Whilst both the TUU and the SA ran commercial outlets on campus, neither body was in a position to generate sufficient commercial revenue to survive without additional funding. Both bodies undertook blanket price increases in all outlets and made significant cuts to budgets across all departments.

The increases in prices in the student union outlets have angered students and many, particularly in the North, now source food and beverages off campus. This has led to substantial losses being endured by the outlets in the North and the SA was forced to sell off core assets to offset insolvency.

The TUU operations remain relatively stable and the TUU currently holds accrued financial reserves of around \$3 million dollars. These reserves, however, are finite and at risk of being severely diminished as the outlets continue to struggle, and as the TUU and SA Merger has strained resources. Additionally, many of the outlets the TUU operates remain geared at a loss as they are service based and it is unlikely that these service based outlets could generate a profit.

Finally, as a part of the UTAS Funding Agreement with the student bodies, the TUU contributed \$1 million of its Reserves to a 'Student Services Fund' (SSF) upon amalgamation with the SA. This fund generates revenue that UTAS uses to fund a Service Level Agreement (SLA) with the TUU. The SLA is also tied to the TUU paying a Commercial Rent for the space that it occupies (estimated to be between \$200-300,000) from 2009, involves the TUU foregoing the Head Lease and sub-letting income from the Union Building/s in the South and the North, and also involves assurance of the license for the commercial operations being held by the student bodies for a three year period commencing July 2006. Negotiations are currently being held for implementation of these terms.

Voluntary Membership Schemes

TUU

In the south, prior to the amalgamation, the TUU offered free opt-in membership to all students from July 1, 2006. Free membership entitled students to vote and nominate in student elections, to be on the member's email list and to access some discounts at Union outlets and events. There was a voluntary sign up rate of over 50% of UTAS students.

SA

The SA offered financial memberships to students for \$25 for one semester or \$40 for a full year, part of the membership was discounts at all the commercial outlets on campus and entry to all the events for the year as well as voting rights. Less than 60 students purchased membership.

The UTAS Funding Agreement

Negotiations with UTAS began in December 2005 when VSU first passed until mid 2007 and are still continuing into 2009.

In 2007, UTAS proposed a Service Level Agreement (SLA) with the TUU that was negotiated and is still being negotiated with UTAS. Significantly, the funding in the agreement is apportioned more in half between the North and the South, rather than continuing with the EFTSL ratio distribution that occurred with S&A fee income.

The heads of funding in the SLA (Representation, Advocacy, Orientation and Retention Support) were arbitrarily chosen by UTAS and excluded support for Clubs and Societies and also NUS and CAPA affiliation fees. Most significantly, the funding was tied to a merger of the Northern and Southern Student Organizations and is more aimed at supplementing University Orientation and Information Activities rather than autonomous student driven and determined activities.

The SLA is funded by a UTAS established Student Services Fund (SSF). The SSF contains a once off \$3.5 million contribution from UTAS, a \$1 million contribution from the TUU (upon amalgamation with the SA), around \$200,000 in sub-letting income from tenants in the Union Building and a commercial rent (in negotiations now) of potentially up to \$250,000 per annum. The SSF is designed to grow to a point where it can generate enough interest to fund the SLA in perpetuity.

Significantly, in spite of the contributions that the TUU has and will continue to make to the SSF, the TUU is not the guaranteed recipient of the SLA. The SLA will only be awarded to the TUU subject to meeting UTAS determined performance benchmarks, with a minimum and maximum payment under each SLA 'head'. UTAS payed the maximum amount under each head of the SLA, indicating that they were very happy with the TUU's performance in carrying out its obligations under the 2008 SLA.

The 2007 agreement and SLA process was a process marred by difficulties, misunderstandings and complications. The 2008 SLA was substantively similar to the 2007 SLA, and the 2009 SLA is yet to be finalised.

Implications of the UTAS Funding Agreement and the Forced Merger

Effectively, for the TUU to be granted UTAS funding, in the merged entity, the Board of Management of the Student Body had to be indirectly University Controlled and the two members of the incorporated body are the Student President and the UTAS Chancellor.

The governance structure that has been effectively imposed by UTAS represents a fundamental retreat from the student-controlled organizations that have been in existence at UTAS since 1899. The Board of Management in the TUU now has a 3/3/1 arrangement, with 3 Student Representatives

(elected by the students), 3 appointees of the UTAS Council and a UTAS appointed 'Independent' Chair.

The State Council, is delegated powers under the Constitution over representation, with the Board holding a 'due diligence' role, but has very little access to untied financial revenue. The Council receives some portion of the Representation component of the SLA and other tied funding where it is available. The Board has the discretion to pass on an unspecified portion of annual commercial surplus to State Council and subsidiaries. The 2008 Board allocation was roughly \$22,000.

The TUU successfully negotiated an untied grant to the State Council from the Vice-Chancellor, in the amount of \$150,000 per annum. This money can be used purely at the discretion of State Council, however is subject to retrospective reporting requirements, and there is no guarantee of it continuing into the future. In 2008, this money was reduced to \$88,000, to represent that the 'new' amalgamated TUU began operations on the 1st of April.

UTAS has also proposed a full and frank review of the new student body within 12 months of its inception, a review of the membership of the Board of the SSF and also recognition of the TUU as a co-contributor to the SSF and in turn the SLA. Notwithstanding the University's 'in principle' commitment to the review of the new body and the funding agreements, the fact remains that it will be hard for the student body at UTAS to remain an autonomous entity and to continue to have student led, student driven campus culture and representation. Negotiations to form the Constitutional Review Committee are currently underway.

Cuts within the Organisations

TUU

In the south there were high numbers of Staff Resignations and those staff not being replaced. The TUU lost around 10 full time equivalent staff since VSU came back on the agenda in late 2005.

As a result of VSU funding cutbacks the TUU lost the Specialist Postgraduate Advocate and Research Officer from Hobart who worked Statewide. This has resulted in a significantly increased workload for the single student advocate and research officer and has led to a high turnover of staff in this role. The advocate position in the TUU is currently vacant.

Most of the staffing roles that have been absorbed back into the organisation were there to support the SRC. As a result of existing staff holding dual roles and responsibilities, the students have less access to support staff in the coordination of events, and for research. The clubs and societies staff member, the SRC Secretary and other core SRC support staff are now job-sharing reception work and this creates issues with the time that is then available to support the student reps.

SA

In the North four full time equivalent staff were cut at the end of 2006. By March 2008 there will only be four full time staff left with a total loss of eight full time staff in eighteen months.

The reduction in staff has heavily impacted on the capacity of the student representatives to undertake their roles. Without full time staff there is an inability to offer adequate advocacy and services to students. An example of this is the Safety Net Program. This program is designed to offer one off grants to a student who finds him or herself in financial crisis. Previously there has been a student advocate available to deal with enquiries and requests for this grant, however due to staff shortages there and the fact that the student advocate on the Launceston Campus must also double as a secretary for the General Manager, time devoted to this Program has significantly decreased and students are being turned away.

Significantly, the Resource Centre, similar to the (Student Contact Centre in Hobart) in Launceston was shut down. This service was a point of contact for all students on campus, but will hopefully be reopened after the TUU and SA amalgamation.

Cuts to Services

TUU

In the south, advocacy and referral services have suffered as a result of only having one staff support for all undergraduate and postgraduate students. Research activities and submissions have diminished, as resources and time are increasingly scarce. It has been difficult to then build campus culture and there has been phenomenal pressure on the student representatives who are now largely unpaid and under resourced themselves. This has resulted in many representatives resigning from positions which has again, diminished the services offered.

The TUU has had to close its computer lab on the main campus in Hobart, has lost clubs and societies meeting space and has had to cut funding for the Student Gallery in the Art School in Hobart. There has also been less funding for welfare initiatives like emergency food packs and short-term loans.

SA

In the North substantial cuts to welfare and advocacy, UTAS taking over student office space meant that there was less capacity for the SA to offer student services as they had done in the past.

Cuts to SRC

TUU

Student Rep Positions in the south were cut in the south from 26 to 17 and Honoraria was cut from \$110, 000 to \$50, 00 and in the North, the Rep Positions were cut 17 to 8 and Honoraria from \$88, 000 to \$41,000.

Portfolio budgets were slashed significantly. International Students suffered a significant reduction, but the hardest hit were the Subsidiary Councils, Postgrads, Sports and Societies.

The Satellite campuses and their representatives suffered substantial cuts. The Hunter St, Art School Gallery and Art Shop is no longer able to sponsor and fund student openings and exhibitions. This is just one example.

In 2007 the SRC budget and Subsidiary Councils were subsidised by their Reserves, as much of the SLA funding did not extend to the activities that they sought to undertake in both their representative capacities and also for advocacy and welfare.

SA

Previously in the North representation had ranged between 15 representatives to 18 representatives. In 2007 there were only 8 representatives. This cut can be attributed to a number of factors. Firstly, the North also had imposed upon them a Faculty Rep Structure that divorced the traditional student portfolios and made it incredibly complicated for the reps to be independent of their faculty positions and therefore the University more broadly.

Secondly a cut to honoraria from around \$90,000 to \$41,000 meant that it was no longer plausible to have a large representative structure. Furthermore the remuneration to students for their time was no longer sufficient meaning the many representatives had to partake in other part time work which meant their commitment level to the position was lessened.

Finally, due to portfolio budgets being slashed sometimes up to 95% more pressure was put on individual representatives to find solutions to the problems associated with insufficient funds. This had a significant impact on the amount of students willing to commit their time to the Association.

Cuts to Student Publications

Publications have been pretty much destroyed across all the campuses and the website contracts have proven to be a huge expense also.

Across the State, the TUU and SA Publications went from monthly and weekly to once a semester and at this stage no longer exist. The daily student newsletter was turned into a weekly poster and it has been difficult to find the resources to have the websites continually updated.

The Student Diary for 2008 was funded by UTAS, but this trend stifles an autonomous student voice and thwarts the independence of student media. The once off grant for the production of the diary also doesn't translate into

more sustainable funding for other student publications throughout the year.

State Council has used a portion of the VC's grant in 2008 to re-establish its student magazine *Togatus* as a joint-venture between the UTAS Journalism, Media and Communications department and the TUU. A memorandum of understanding has been formed, and an editorial board with 3 representatives from each organisation run and oversee the operations.

Cuts to SRC Activities

Arguably, centrally coordinated student activities suffered the greatest loss overall. Student activities apart from OWeek were pretty much all but lost, particularly when large losses were sustained due to failed user-pays events.

Cuts to the TUU Societies Council

In short, the Societies Council Budget has decreased from \$141, 411 (in 2004) to \$80, 000 (2006) to \$15 000 (2007) to \$10,500 (2008). A lack of funding for Conferences and Competitions travel has thwarted National Representation for societies like TULS and TUMS and has had implications for UTAS student networks with other institutions. Venue Hire costs increased significantly and some societies have folded as a result of increases in venue hire. Overall, there has been a severe reduction in the activities and culture that societies on campus generate and moves to a 'user-pays' system have not succeeded.

Cuts to the TUU Sports Council

Please note that there have been other submissions compiled by some individual TUU Sports Clubs and we ask that they also be viewed alongside this submission.

Briefly, pre-VSU, the TUU Sports Council received \$250, 000 (2004) and in 2007 Sports Council only received \$45, 000. Notwithstanding this significant shortfall in funding, UTAS grounds hire fees increased from being capped at \$38, 000 up to \$71, 000 and TUU Sports Clubs have lost preference for the University grounds to external hirers, like the Tasmanian Institute of Sport and the Tasmanian Cricket Association as they generate more income for the UTAS controlled and funded Sport and Recreation Centre than the TUU clubs.

The TUU negotiated a \$43, 000 cap for fees in 2007 but this was not assured for 2008 and beyond and given that individual Club fees have increased beyond sustainable levels, we are losing players and clubs as a result. Now that the grounds are less available for the clubs to play and train on, their future is even more uncertain. The only thing the TUU can continue to offer its Clubs is insurance, and even that is a risky financial venture.

The TUU Ski Hut cannot be maintained under VSU and is to be sold very soon, which will result in the probable closure of the Ski Club, Bushwalking Club and many other student groups that have used this in the past. This will also adversely affect the broader community

In the North, the SA Boatsheds were sold to offset insolvency and this significantly diminished the Asset pool in the North and also had implications for the Boat Club and also for the Alumni who utilised that resource.

Future Funding Options

The TUU supports a compulsory non-academic fee for services as part of a student's existing HECS loan, and an opt-out membership system on either philosophical objection or inability to pay. Ideally, we would not like to see an additional fee levied upon students, even if it were deferred, but we believe there is merit to the NUS Preferred model of the deferred student support levy alongside the campus community facilities fund.

If that fee were supported there would need to be appropriate regard given to the different categories of students and a fair levy determined for international students and postgraduate students as well as for part-time and distance students, compared to full-time undergraduates.

Aside from the funding debate however, it is most important to overturn the negative principles and effects of VSU. There needs to be some formal recognition of the vital role that student unions play in Universities and a move towards restoring student control of student affairs and autonomous campus representative bodies. Significantly, in the time since VSU was introduced, most Universities have identified many of the services provided by Student Unions as being essential to their core operations, and have sequestered money to fund those services that could have been used to fund Teaching and Learning or Research programs.

Moreover, there needs to be consistency in the management of the reintroduction of a new membership systems and funding arrangements so that student organizations tied into long-term contracts with Universities can opt out of these and move back into autonomous student controlled entities.

The TUU eagerly awaits a response from the Senate Committee and the Federal Government, and are grateful for the opportunity to submit to this review.
