**Ideas and Society**

**Wednesday, 1 July 2015**

**The Future of the Australian University**

**Professor Robert Manne**

I’d like to welcome you all here, extremely pleased to be able to host this event. The format of today – the event will be introduced by our Chancellor, Adrienne Clarke, then our Vice-Chancellor John Dewar is going to talk about an absolutely fundamental topic for all of us which is the future of the Australian university.

There’ll be a short amount of questioning from myself and Adrienne Clarke but then I really want to have maximum possible time for audience participation and for questions about the future of the place all of us I think feel is important to both our own lives and the lives of our friends, but also the country. So if I could ask Professor Clarke to introduce the speaker.

**Professor Adrienne Clarke**

Thanks very much Rob. First of all, I’d like to acknowledge the Wurundjeri people as the traditional custodians of the land on which we’re meeting. We pay our respects to their elders, past and present.

Well, it’s a great privilege for me to introduce our Vice-Chancellor, Professor John Dewar, and he has been critically involved in the current policy discussions and these discussions are going to help shape the future of Australian universities, so there’s no one better placed to explain it to us.

So some of the background – he is the Chair of the Innovative Research Universities Group, he’s the Chair of the Victorian Vice-Chancellors’ Committee, he’s the President of the Australian Higher Education Association, a Director of Education Australia Pty Ltd and the Chair of the government’s Legislative and Financial Working Group of last year.

Apart from that involvement in shaping the future from those positions, he’s been leading us here at La Trobe, to a position where we’re not only just going to survive but we’re going to thrive in a rapidly changing environment.

Now, as you know, we’re in a time of enormous change on many fronts. It’s economic, technical, social, environmental – every way we look we’ve got change. But times of change, of great change, are also times of great opportunity, if only we’re smart enough to see the opportunity and nimble enough to respond to it quickly.

I can declare my hand to say that I’m extremely optimistic about the current situation and take the position that the universities will not only endure, but they will evolve to be even more important institutions in our society than they are today. Now why do I say this? Well, I take a very long view. After all, universities in the Western world have survived as communities of scholars and students for over a thousand years. So Bologna, Oxford and Cambridge Universities, were all established in the eleventh century and they survived huge social and political changes – wars, riots and extraordinary technological revolutions. So, for them, in the fifteenth century, the massive disruptive technological revolution was the advent of the printing press. Suddenly, books and knowledge were accessible to many, and not confined to just the privileged few, and as a result of that, the scientific revolution started, because scientists could communicate with each other and share their knowledge and build on each other’s knowledge and each other’s discoveries, and that of course led to more change. Ideas and thoughts spread. Of course, they spread much less rapidly than they do on Twitter and Instagram but much faster than in the preceding centuries. This was a huge revolution for the universities and of course, to the whole community.

In our much more recent past, mass communication by radio and television then hit us in the 50s, or radio before then, and the universities adapted, in spite of the grim forebodings of the time, and I could reflect briefly on my own experience and the changes I’ve lived through.

Sixty years ago, I was a student at Janet Clarke Hall, a residential college for girls at the University of Melbourne. We were very clearly and robustly separately from the boys. We entered college two weeks before university classes start, to sit our formal practical and written examinations in housekeeping and cooking. These were the prerequisites, hard to believe now. Fortunately society has evolved.

However, we all passed our tests on such topics as Care of the Household Linen, Removal of Common Stains, and we went on to learn and to study. In my case, it was to study chemistry and bio-chemistry. We learnt to some extent from our lecturers. In those days, lecturers may or may have never turned up. They may or may not have ever been prepared. But we learned something, but we learned a lot from our fellow students. And we also grew up. We became independent thinkers, and we learned how to learn. And we had enormous fun and we made lifelong friends.

When we were graduate students, we learned our crafts more or less in the apprenticeship system and for the sciences, it is still more or less an apprenticeship system. We developed very strong loyalties to our disciplines, in fact our loyalties to our disciplines may have been even more than loyalties to our institutions, and we became part of the global community of scholars, which was such a privilege.

And those experiences that I had sixty years ago, apart from the training in housekeeping, will continue to be important to students. Such experiences as forming lasting friendships, learning how to learn, learning to think critically and independently, and learning to formulate good questions, these are key skills for navigating a journey and the journey at the moment involves moving from relative uncertainty, to relative certainty. And in a way, that’s what science does, all the time. We’re always moving from a relatively uncertain position to a relatively certain position, and we find ourselves in a similar situation in society and for the university’s position today.

But I’m very confident that universities will survive to provide these enduring experiences for students, as well as introducing them to their professions. And I now turn to Professor John Dewar, to give us his views on a likely future. Professor Dewar.

**Professor John Dewar**

Thank you very much Chancellor. I too would like to acknowledge the traditional owners of the land on which we gather this lunchtime, and thank you everyone for coming. It’s great to see so many people here.

It’s hard not to notice a malaise in higher education today, or at least a sense pervading much contemporary higher education literature, that all is not well and that things are probably about to get a whole lot worse.

For example, the recent article in the Higher Education Supplement by an anonymous author, called “Bean Counters Now in Charge of our Unis” argued that “what is happening at Australian universities these days is even more transactional, technocratic, institutionalised, corporate mindset, not to say Asperger’s than ever”. Along similar Michael Gillings and Jane Williamson from Macquarie University, writing in *The Conversation* earlier this month as part of its series on What Are Universities For? have blamed recent scandals relating to plagiarism and academic standards that universities are increasingly run as businesses, which has resulted in the commodification of education which treats students as consumers. This, they argue, creates the perfect conditions for academic dishonesty and cheating. And perhaps the most despairing of all observers, Raimond Gaita, argued in a *Meanjin* essay published in 2011, that the incursion into universities of what he calls managerial newspeak, has meant that universities are now “dominated by a largely instrumental conception of their nature” which has led to a loss of any collective sense of the intrinsic value of study or of university of anything more than “a high flying institution, three stages past kindergarten that excels at research”. We’re also regularly told that staff morale is at rock bottom in the sector and that students are adrift academically and probably cheating on a bigger scale than ever before.

Now, these are chilling assessments indeed with some recurrent themes running through them. But I want to suggest today that they’re not entirely accurate and that our current circumstance is, at worst, more ambiguous than these accounts suggest and at best, a cause more for optimism than for gloom. But, and there are a couple of conditions on that optimism, the first is that we’re able to recuperate the idea of a university to something that will serve us well in the conditions that will foreseeably surround it and condition it in the future. And the second condition for optimism is that we have a very clear sense of the challenges about to confront the sector, especially those arising from digital technologies.

Now, these two conditions for optimism are related, because I think we cannot rise to the challenges of the future if our dominant narrative about universities is one of a decline from past glories, simply that things aren’t what they used to be.

Now, I’m not convinced that the literature I referred to is particularly helpful in this respect, coming as it does from what could be called the decline and fall school of thought, that is, that the last thirty years have seen a progressive decline or shrinkage in the idea of a university from some sort of ideal type or golden era, a falling away from what Glyn Davis has termed the unworldly university. It’s in fact doubtful whether such a golden age ever actually existed, particularly in Australia which has always had a much more pragmatic and instrumental view of its universities than, say, the UK. But more importantly I think such a narrative of decline won’t help us to navigate the challenges of the next thirty years, the period after all, in which our youngest colleagues starting their careers now, will have their lives and careers in the sector. I think we owe it to them, if nothing else, to reanimate and recuperate the idea of a university in a way that looks forward, not back.

So I think a good starting point is to recognise that universities now and have always been, continually evolving institutions that have taken successively different but historically contingent forms. The British Professor of Education, Ronald Barnett, has argued that universities have evolved over time, through a series of ideal types, from what he calls the metaphysical university, which probably characterised Bologna and Oxford and so on when they were first founded, through to the research university which grew in the nineteenth century, to now, the entrepreneurial university. I’ll come back to those terms later on because they’re important to an argument I want to make later. And he argues that the university as an idea and as a form will continue to evolve into the future.

But he also argues that while up until now there’s been a certain inevitability about how the different ideas of the university unfold over time, being historically determined, he thinks now universities have arrived at a point where they actually have choices about the form that they take and the underlying idea of a university that animates that form. He suggests that the question, just what is it to be a university has rarely been asked in the past, because it hasn’t been necessary to ask it. The idea and the form it has taken have had a certain historic inevitability. But he suggests that that is no longer the case, that universities have now reached what he calls an existential moment in which there are choices to be made, and part of those choices consist of how universities choose to rise to the challenges about to come their way.

So I’ll come back later to this question of the future of the university and specifically the future of the Australian university and how they might rise to this existential moment. But before looking into the future I want briefly to dwell on the past, and to provide a quick overview of trends in the sector over the last thirty years, and what has seemingly brought us to this point. I’ll then look at some of the policy and funding choices confronting the sector in Australia in the foreseeable future, I’ll look at some of the external challenges that will confront the sector in the next thirty years, and then return finally to look at what the future might hold for a recuperated idea of a university.

So first, what has changed in the last thirty years, the period after all which represents for many, including me, the span of an academic career. I started my first academic job in 1981. So I want to come at this question through my own experience as an academic, first in the UK and then for the last twenty years here in Australia. And when I look back and reflect, when I started my academic career, questions about the purposes or benefits of universities were rarely asked. There was an acceptance that a university education, though limited to a relatively small number, was a good thing in and of itself. It was self-evident and intrinsic. Universities played an important role in supplying graduates into some of the professions, a role that was probably more pronounced in Australia than in the UK. As Glyn Davis has argued, “professional training dominated Australian universities from their earliest expression where the dominant tradition was pragmatic and vocational”. Nevertheless, provided they met the requirements of the professions, universities were largely left alone to get on with whatever they were doing, largely free of external interference.

At the same time there was little talk in those days of curriculum or of learning objectives or of graduate outcomes, students were almost never asked to feedback on their teachers and academic staff were left largely unsupervised in their performance, and quality assurance was something that was done in factories, not in universities.

By the same token, there was then almost no talk of universities having strategic plans, key performance indicators, or targets. To the extent that it existed at all, senior management was not seen as having much managerial prerogative in organisations that were mostly collegial and self-governing. Universities without extrinsic goals had no need of managers to steer towards them. Research was important but was largely unguided by any sense of institutional or national priorities, and the sector at the time was very small comparatively and therefore highly selective. How things have changed in the span of one academic career. None of the above conditions any longer apply. Our lives are infused with technology for one thing. The early 1980s was before the email or internet had made it into the mainstream. We’re held accountable and performance measured by ourselves, by external agencies, international rankings and social media. We’re funded increasingly on our outcomes and our performance. Competition between universities for students, staff and research funding is fierce and government funding is increasingly directed to national priorities and governments expect to see tangible commercial returns for the research they pay for.

But alongside all of these trends the dominant fact is the growth in or the massificationz of the higher education sector over this period. The number of full time students in Australia in 1989 was just under 300,000 but it’s projected to rise to over 700,000 by 2017. And that growth rate has accelerated over time with the growth between 2007 and 2013 alone amounting to an extra 200,000 students, that is, the equivalent of three or four universities the size of Monash, that’s in a very short period. This has had a profound effect on the place of higher education in Australian society. It’s estimated that in 1966 the number of students attending university was one in 140, by 2013 that number was one in 25.

Now there have been a number of policy changes of course that have driven that growth. The Dawkins reforms of the early 80s and 90s, which created the unified national system and increased the number of universities from 19 to 39. The second has been the stimulation of the international student market from the mid 1990s, such that international student revenue now accounts for about 30% of all university revenues and about 25% of the student population. And then finally, the demand driven system so called, or the uncapping of graduate places that came into effect in 2012 but which most universities had started anticipating much earlier.

Another driver of growth in the sector has been the fact that Australian universities in particular have very successfully established a vice-like grip on pathways into the professions, as I mentioned earlier, firmer I think in some respects than their UK counterparts, where the cult of the amateur retains some of its aura still. Status seeking professions have happily colluded in this slow but steady increase in credentialism, such that the vast majority of university degrees, probably about 90%, now carry some form of external accreditation from a professional body, and most professions require an accredited degree as a condition of membership. One consequence of that is that there are now large swathes of curriculum taught in universities over which the universities themselves have relatively control.

So, if those are the trends, what sits behind them? And what impact has it had on the idea and the form of the university? And what does it tell us about the future? Well, I think what sits behind the trends is the fact that universities are now increasingly seen as instruments of economic policy and workforce planning, as well as gatekeepers of professional standards. Increasingly, future economic growth and competitiveness is seen critically to depend on the availability of a workforce with the skills and knowledge which a university education bestows, and university research is seen as a source of future economic growth, if only it can be brought to market more effectively.

Universities have thus been brought into the close embrace of government to an unprecedented extent. All of this has entailed, beneficially perhaps, significant increases in government expenditure on higher education, particularly for teaching and research, but this has brought with it a change in the regulatory regime to which universities are subject, which has involved a mixture, perhaps a curious mixture, of deregulation on the one hand, and centralisation on the other. With respect to student numbers, centralised planning has given way to a quasi-market in which universities can enrol as many students as they wish in whatever disciplines they choose, the so-called demand driven system. This formed part of a Faustian pact that the universities entered with the then government of the time, in return for seeding self-accrediting status in effect. This introduction of a quasi-market has had a profound impact on the sector. It’s increased undoubtedly competition for students. It’s led to greater visibility of public comparisons of university performance and that in turn inside the university has led to a stronger emphasis on measuring and monitoring staff performance and the elevation of the student to the status in some respects, not all, but in some respects, of consumer.

But so far as research is concerned, and perhaps by contrast, the tendency in government policy has been towards greater command and control and greater centralisation, and an increased emphasis on national priorities. Governments increasingly expect to see a commercial return on their investment on the research they fund. You don’t need to look any further than current government policy in respect to things like CRCs, industry growth centres, national research priorities and the commercialisation of research outcomes.

So if that helps to explain the underlying trends, what impact has that had on the idea and form of a university? Well, if you go back to Ronald Barnett’s terms, these have all contributed to the shift from what he calls the research university to what he calls the entrepreneurial university. The research is what he describes as the university in itself which prided itself on its separateness from society and “the uselessness of knowledge”. To the entrepreneurial university, the university for itself, not in itself but for itself, which has he puts it “has its being amidst the marketisation of public services”, where what counts in knowledge production is impact and where “knowledge is valued in terms of its exchange value before its use value”.

Now, the decline and fall literature that I referred to earlier will no doubt see all of these trends and the shifting characterisations of a university that Barnett describes as the root cause affecting or contributing to the malaise affecting the sector. Increased marketisation, the loss of autonomy in the selection of research topics, the instrumentalism that drives student choice, and thus the culture of the university more widely, plus the increased red tape and bureaurocracy that goes with greater and internal and external scrutiny of performance.

Now, I’m, as I said at the beginning, more of an optimist than the decline and fall literature might be. At any rate I think the evidence is more ambiguous than the decline and fall literature would have us believe. And I just want to highlight the fact that during this period there’s been a huge amount to celebrate in the sector during this period of growth over the last thirty or so years. One thing to celebrate, potentially, is that universities I think are now considered to be more important national institutions than ever before. We are now closer to the centre of public policy and public concern than has perhaps ever been the case, as the recent debate about fee deregulation starkly illustrated. It’s even possible that higher education policy could be a vote shifter at election time. That would be a first.

On the whole, I think that can’t be a bad thing. But other things have been evident during this period, which I think are positive. The first is that student satisfaction has risen steadily as teaching and learning has been taken more seriously by universities. The Chancellor’s experience that she referred to of lecturers possibly turning up prepared or not I think would be very rare now in the modern Australian university and I think there has been a lot more emphasis on the student experience and the quality of the teaching that takes place.

Research output has increased significantly in volume and in quality, such that Australia now performs well above its weight in international rankings. There’s been a significant shift over time from theoretical to applied research as universities have sought to respond to industry needs and universities have become much more inclusive, especially of students from disadvantaged backgrounds and particularly for disabled students. Women now account for more than half of all students at university. All of this I think points to a significant lift in the sector’s productivity and performance over the last twenty to thirty years and represents a huge return on the nation’s investment. And I suspect that even staff morale is not quite as bad as survey results sometimes lead us to believe. In his book, the late David Watson wrote – his book called *The Question of Morale: Managing Happiness and Unhappiness in University Life* – it’s a great title, he wrote that academic staff responses to questions about morale are often complex and contradictory. While morale generally in an institution will almost always be described as rock bottom, questions to individual academic staff about what they’re currently working on will, he says, be full of life, of optimism and enthusiasm for the task at hand. The key variable, he suggests, seems to be the extent to which staff feel they exercise control over their lives within the university. So while staff might have a positive view about morale in their own small work group or in their immediate projects, they are likely to believe that morale overall in the institution is low and probably declining.

But I think nevertheless that there are grounds for optimism in spite of the decline and fall school of thought. But in any case as I said at the beginning, I don’t think we can turn the clock back to earlier modes of the university, no matter how much we might yearn for it. Wider forces that we have limited capacity to control have driven various successive modes of the university over time and the ideas that have animated it. We can lament the passing of the research university model, or the unworldly university, if indeed it ever existed in its purest form here in Australia, which is unlikely, but we have to prepare ourselves for what’s coming by being ready to embrace the future and the possible forms of the university that it may entail.

So, what of the future? Well, the Australian university sector is in part the product of government policy and funding. To date, this has produced a remarkably uniform sector, or as Glyn Davis has put it, the system has created what he calls an imperative to standardisation around the Australian norm of a university which is autonomous, professional, comprehensive, secular, public and commuter. Attempts to deviate from this norm, started at universities like this one, have gradually been pulled back to the conformist centre. One measure of the uniformity of the Australian sector is that almost Australian universities are doctoral awarding universities, whereas if you look at more diverse sectors like the US, the equivalent figure there is just 28% measured by the share of higher education enrolment.

Now, to Glyn’s list of characteristics of the Australian norm of a university, I would add the characteristic of size, because Australian universities, including our very best, are very large by international standards, some with operating budgets closing in on two billion dollars a year. In other countries, by contrast, there’s often a quite different relationship between size and prestige. Harvard and Oxford for example, would in Australian terms, be small, regional universities. Now this imperative to standardisation reflects the uniform set of incentives that government dangles in front of the system. Government ultimately gets what it regulates for and what it funds. However, I think we might be at a point where this is about to break down. The inevitable unfolding of successive types as Barnett has suggested, may have reached that existential moment that, as he puts it, has optionality written into it, and this may be as true for Australia as it is elsewhere, for much the same reasons.

So, let me start with funding. I suspect that we have now reached the outer limits of governments’ willingness to sustain the higher education system at the current scale and unit of resource. Let’s remind ourselves that in the last two years, both sides of politics have proposed cuts to the unit of resource, that is, the amount universities are paid per student, to teach students. Policy makers now face what you could call a trilemma – of ensuring affordability to government, affordability to students, while still ensuring that universities have adequate resources to do the job properly. Now, of course, the case for increasing government support for universities should always be pushed hard, very hard, and we should never accept as inevitable a declining level of public subsidy. But the challenge for governments is that of managing and sustaining growth. As the Carnegie Foundation has put it, as a system grows, it emerges from the obscurity of the relatively small elite system, with its relatively modest demands on national resources, and becomes an increasingly substantial competitor for public expenditures along with housing, welfare and defence. In a sense, the system has become a victim of its own success, or at least, of its own scale and significance.

So assuming that we are not on the brink of a new golden era of public funding of higher education, there are two broad policy directions we could now take. The first would be to ask students to pay more, so as to reduce the role of government in funding university education, or more accurately I should say, further to reduce the role of government in funding university education, given that the government contribution to university revenues has declined from over 80% in 1989 to about 40% now.

Now the Pyne reform package that I’m sure you all know well offered an extreme version of this broad policy direction, namely the complete deregulation of student fees. But there are other, and less dramatic, reform options at this end of the policy spectrum. But at the other end of the spectrum lies the second direction that reform could take, and that would be to restrain growth in the system and perhaps even to reduce the overall size of the system in order to maintain current levels of public subsidy and to contain, or even nullify, the need for increases in student contribution. A version of this will, I suspect, form the core of Labor’s policy that it will take into the next election, and any recapping of the system will entail at least some return to centralised planning and control of student numbers across disciplines.

But ultimately, at its heart, the question here is one of a trade-off. How much do we value scale and accessibility of a higher education system on the one hand, over maintaining student contributions and government subsidy at current levels? How do we strike that trade-off? And I think we’re very close to having to decide how we want to trade those two things against each other.

So if, as I suspect they will, each political party will be taking diametrically opposed answers to this question, to the next election, then we are indeed at an interesting point in higher education policy in this country. Will we go down a deregulation route, or some version of it, or return to a more capped system and more centralised control?

Now, as I’m sure you all know, my own view is that some form of fee flexibility is needed and will be needed as part of an overall package and this is going to be an inevitable feature of the system in the long run. But let me explain why I hold that view, and there are really two reasons. The first is, I’m a very strong supporter of the demand-driven system. It’s been a great innovation for Australian higher education. It’s allowed institutions to increase enrolments in areas of need, especially in parts of the country where participation rates in higher education are low and it’s allowed institutions to address workforce shortages, especially in science and health disciplines, which have been the biggest beneficiaries of the demand-driven system. It’s increased participation amongst disadvantaged groups. On balance, I would prefer to see that system maintained, even at the expense of increased student contributions.

But the second reason is that the current system offers overwhelming incentives to universities to grow. That’s because remaining static in size will not cover the year on year increase in costs that every university faces, or fund the research aspirations of each institution. So universities, especially those that are keen to feed the rankings monster, respond by taking up more students to make up the difference. This imperative to growth will ultimately destroy some of the weaker institutions, as the larger and more prestigious universities bite deeper and deeper into their markets in pursuit of that growth.

The only solution I can see to that is to give those universities an alternative strategy to grow their revenue, such as fee flexibility in some form, for the sector as a whole to survive. Otherwise, the sector will almost literally eat itself.

So, there are some big choices ahead. If a more market-oriented solution is adopted, such as fee deregulation, then I suspect the consequences would indeed be profound, in particular for diversity in the sector, as different universities pursue different trade-offs between scale and price and between teaching and research. The existential moment would indeed have arrived with full force. If, on the other hand, there is a return to a more centralised planned model, then much will depend on what sort of sector a government wants to plan for. In such a system, again, a government will get what it sets out to achieve, including diversity from the norm if it wants it. But until then, we face uncertainty. But I want to suggest that these uncertainties are as nothing compared to those likely to flow from broader structural changes in the economy and society to which I’ll now briefly turn.

In her excellent contribution to the recent CEDA report on Australia's future workforce, Deakin’s Vice-Chancellor Professor Jane den Hollander outlined some of the trends likely to affect universities in the foreseeable future. She argues that the fact that the internet is now the primary platform for creating and sharing knowledge, means that “universities are no longer the gatekeepers of knowledge and that students are no longer passive consumers of that knowledge, but rather active participants in its co-creation”. She argues that technology-enabled higher education requires a mindset change in which universities must focus on what students want and what employers are looking for in graduates. Students expect from universities what they experience increasingly in other aspects of their lives – services that are customer focussed, on demand, available 24/7. And they expect to be educated to compete for the jobs of the future.

She goes on to discuss MOOCs and how they allow universities to exploit the major technology trends of automation, big data analytics and customisation. And how they will enable students to un-bundle their degrees to take only those courses they require, when they require them. And this she says, brings into question the whole nature of a university education. She says if a series of digital badges from a selection of MOOCs could provide an internationally recognised assessment of achievement, what could this mean for the three and four year degree? In a global market, why should courses be tied to a Western ecclesiastical calendar?

Now, Jane’s piece inevitably raises more questions than it answers, but when combined with the stark policy choices that face our politicians, it feeds my sense that universities now are on the brink of potentially radical disruption and change, whether driven by further marketisation of the sector, or by the impact of technology or a combination of the two.

And that brings me back to the question I started with. What idea of the university will help us adequately to navigate these possible futures and what form should such a university take? As Barnett has argued, the existential moment means that there are a multitude of possible answers to this question. And thinking through answers, or possible answers to the question that Jane raises in her piece, the technological university could be one of those possible answers.

Personally, I’m not convinced that technology in and of itself is a sufficient answer to this question of idea and form. Technology itself should be an enabler, not the whole point.

Barnett himself suggested a whole range of criteria by which this question could be answered, one of which is an ethical one. To what degree, he asks, does the vision for a university reflect large ideas as to human and social wellbeing and even flourishing? In what ways could its vision be said to be worthwhile? Does it reflect large human principles such as those of fairness and openness?

Now Barnett’s own answer to this question, and one to which I’m drawn for reasons I’ll explain in a moment, is what he calls the ecological university, that is, a university that’s deeply networked to the society around it, in order to make its knowledge resources freely available, but also a university that “engages actively with the world in order to bring about a better world”. This is, he says, a university for others as distinct from the research university, the university *in* itself, or the entrepreneurial university, the university *for* itself. The ecological university, the university for others, he says, will be an engaged university, a critical enquiring university, and a university for development, acting to put its resources to good effect in promoting world wellbeing.

Now, as I said at the outset, we need to re-think what the university is for, in ways that are richer and less impoverished than the decline and fall narrative I discussed at the beginning. We need to recuperate the idea of a university that fits our current and likely future circumstance, without reverting to an ideal past. If the existential moment is indeed truly upon us, then each university will have its own choices to make about its future idea and form.

Now the reason I’m drawn to Barnett’s idea of the ecological university, is both for its intuitive appeal, but also for its empirical fit with what we’re doing here at La Trobe. After all, we have dedicated our research efforts to solving some of the world’s most pressing problems. We have committed to educating our students to be global citizens, who understand sustainability thinking, and we make our knowledge resources freely available, either through the activities of our public intellectuals and in the public scholarship in which they engage, or through our participation in things like the Easy Access IP scheme.

In short, La Trobe could be seen as an emergent instance of the ecological university, the university for others, and perhaps, as an exemplar of a more hopeful future for the idea of a university.

**Robert Manne**

I think we’ve been really privileged to hear a wonderful exposition of, amongst the most interesting I’ve heard recently, of both the idea of the university and the idea of the university at the present time. I’ve just been to a conference where Gareth Evans said, if I take one idea from a conference, I feel it’s been a success. I’ve actually already got two ideas. One is that sixty years ago, female students were asked to learn how to cook and sew, which I had not heard. More seriously, the idea of the ecological university I had not encountered before and I find it extremely interesting and I’ll spend a lot of time trying to think it through.

We’re going to have a short period in which we have the good luck to be able to ask some questions and then, as I say, I’d like as much participation from the university community that’s here, and maybe there are some outsiders as well, asking John whatever they’d like.

But anyhow, I’d first like to say with great sincerity, I feel very privileged that Ideas and Society has been able to have such an interesting analysis from our Vice-Chancellor.

I’ve always been attracted to the decline and fall school, but also for quite a long time recognised that it is in a way an exercise in nostalgia. But can I ask a question about this? I begin with an experience that genuinely happened to me last night as I was returning by aeroplane from Canberra to Melbourne. I was in a bus that was taking me to the long term carpark and a young woman came up beaming and saying, do you remember me? She had been in a class where we’d discussed through whole books and through films, the architecture of the 20th century, the politics of the 20th century. And she said how interesting it had been and how important it had been.

My question really is, had some very distinguished voices in Australia, Raimond Gaita is one, but also the great novelist John Coetzee, Pierre Ryckmans, the sinologist who under Simon Leys, really changed the way people thought about Maoist China in the world, are defenders of this old idea of the university: which is an unworldly institution in which what I call the permanent and temporary residents, the scholars and students, come together to pursue truth, under frameworks of disciplines. And the Chancellor mentioned Bologna and Oxford a thousand years ago – it’s a long tradition. And I suppose the most important thought I had at the end of my career was, given the absolutely reasonable account you give of the forces that have changed things, is there any way in which that one thousand year old tradition can be somehow maintained within the framework of, let’s call it now, the ecological university?

**John Dewar**

Yes, I do. And kind of what Barnett’s trying to guess at I think, is that this idea is a way of doing precisely that, of preserving that notion of independent thought, critical enquiry, training in the discipline, as the Chancellor put it, of thinking. But at the same time in an institution that sees itself as taking its responsibilities to the broader community very seriously. He talks about that reconciling of being authentic to your own self, your own nature as an institution of enquiry, but also being true to your responsibilities as a public institution. And that’s partly why I’m drawn to the idea, because it does seem to me to allow universities to retain exactly the sense that you’re talking about, although I think the ways in which those encounters will happen will be very different. I wouldn’t be surprised if in the end of the career of some of the young academics who are in the audience, they are greeted by a student who said, I thought your blog or your Wiki or your online tutorial we had was fantastic. I think those encounters can still happen and I think we can actually expose students to a broader range of those encounters, through the use of technologies for example, than we’re able to at the moment.

But yes, I would certainly hope that we can preserve that sense of training in a discipline in a way that’s speculative, enquiry-driven, and not all the time wholly an instrumental approach to education. And the way I read people like Rai’s lament, is the creeping instrumentalism in higher education which to some extent I agree with Glyn Davis – he’s probably overstating the extent to which that was never a feature of Australian higher education.

I think preserving that sense of critical independently minded enquiry is possible and desirable and consistent with that notion of the ecological university.

**Adrienne Clarke**

Well, I think our Vice-Chancellor has laid it out pretty starkly, of the choices, probably a binary choice that’s going to come at the next election, and it probably will be an election issue. And one will be some version of deregulation and the other will be some form of control and a restriction of numbers. And to what extent, Vice-Chancellor, do you think that the university’s leaders and university staff should be involved in the debate that will lead up to the election?

**John Dewar**

Oh, one hundred per cent. Although I think the universities who speak through their peak body have probably … they’ve got a bit of a hurdle to surmount I think, particularly with the Labor side of politics where I know having spoken to some senior members of the Labor Party in the last week, where there is still a high level of anger in the Labor Party at the way in which the universities first of all opposed the Emerson efficiency dividend, and went very public with a very ferocious level of opposition and then subsequently appeared to support the Pyne reform even though that support was very qualified, and I think there’s deep resentment in the Labor Party about how universities sort of let them down in that respect. And so I think there’s going to be a real job to rebuild a relationship on the Labor side of politics. But we have to be involved and I think it will be a high profile issue, next time around.

**Adrienne Clarke**

Yes, and to some extent that difficulty was that it was not apparent in the Pyne proposal that there would be the opportunity for young people from underprivileged backgrounds to still have good access to higher education and that’s something that the Labor Party will, and rightly I believe, seek to preserve. And it’s very important for our society that people from an underprivileged background will continue to get access. It’s really the basis for stability in our society I believe.

So yes, it’s going to be a bit of a struggle for universities, Australia's voice to be taken, but what other bodies, what other avenues, what other ways of influencing … or do we have a clear unified idea of where we’d like to go?

**John Dewar**

Ah, that’s an interesting question.

**Adrienne Clarke**

Because if you present a unified view from the sector to the electorate, then we’ve got a better chance of achieving it. But if in fact there’s too many voices being heard, then the government will take control.

**John Dewar**

Well, I think I’ve made my views pretty clear but I think the challenge for the sector is going to be maintaining unity because they’ll be very different views within the sector about this.

**Robert Manne**

In a way what I want to say in a strange way continues this thought about universities and government. In the old tradition of the decline and fall school, one of the ideas that was absolutely seen to be fundamental was the idea of the autonomy or the independence of the university from the state or government. And I think most people in universities would still in some way think that was an important idea. I think one of the interesting features of Australian political culture in the last decade, maybe longer, is the withering away of an understanding of how autonomous or independent institutions which are partly or wholly funded by government, can maintain that independence. I’ve been quite shocked, you know, I’m a very political person so I can say things, I’ve been quite shocked by a lack of an understanding of the independence of the ABC in very recent times, but even more by the Human Rights Commission, in which somehow the language has been, very quickly, seen to have been that of almost a kind of public service rather than an organisation truly independent of government, in fact the Human Rights Commission has the role of being critical of government. But if it’s true that political culture finds it more and more difficult to understand how if the government funds things, or the taxpayer funds things, they can also then be critical of government. Do you think, there any meaning any more in the idea of university autonomy and independence in this country.

**John Dewar**

I think there is, although you’re right, there are signs that that is being eroded. So I think for example the increasing tendency to set research priorities, to channel research funding down particular tracks, to insist on, as increasingly the current government will, on commercial outcomes being evident from funded research, all of that inevitably does shrink, seemingly shrink the scope for autonomous decision making about research directions. Nevertheless, this perhaps goes to both your points Rob, I think universities will continue to be deeply ambiguous places and running them will continue to be … or managing, or actually being a staff member in them will continue to be a juggling act and almost a task of maintaining an ironic distance between the things that governments expect of you and the things that you’re really interested in doing yourself. And I’m sure all of us have felt that tension in the course of an academic career.

And I think what drew me to the ecological university idea is that he does, Barnett, in his thinking about it, does try to fuse those two ideas of authenticity to oneself and one’s own interests and the pursuit of ideas, coupled with responsibility to the broader community. I guess the question to ask is who gets to decide what that responsibility means. Is it the government or the institution itself? I probably need to think more about that but I certainly don’t believe that the encroachment on university autonomy has yet reached the point where it’s vanished altogether.

**Robert Manne**

But if a university, let’s say, became notable for the critique it was making of a certain way of looking at the world, and that way of looking at the world was closer to one side of politics than another, would that seem then from the point of view of a Vice-Chancellor, to be dangerous in terms of the wellbeing of the institution into the future? In other words, is there a tension between the old critique function that was often assumed to be connected to the reason to have independence or autonomy, and the ways in which somehow the boundaries between university and government is less and less clear.

**John Dewar**

I think most, or I would hope every Vice-Chancellor would defend the right of their academic staff to express a view and some Vice-Chancellors have been called upon to do that. So, I don’t think there would be a Vice-Chancellor who would sell out their academic staff just because they were pursuing a line that was politically unpopular.

Having said that, I’m not convinced that the Lomborg sage has covered the sector in particular glory. Both the decision to take it into the university and then the decision to drop it, I think probably signalled that the level of confusion about what the role of the university is and those issues to do with climate change, what the role of the university should be and hosting a function such as that, and then having decided to take it on, then to drop it because it was causing a problem. So as I said, universities are ambiguous places and I would hope that, provided an academic staff member was expressing a view that was squarely within their field of expertise and was based on a sound body of research, that they would not be criticised or penalised by their institution, in fact would be supported by their institution for maintaining that line, even though it was politically unpopular.

**Robert Manne**

What if they took a position which wasn’t particularly well based? I mean, the idea of the university – this is actually the ABC thing – the ABC’s independence is now being, it seems to me, under fire because of what is said to be an error of judgment or whatever. Academic freedom used to really be kind of no matter what you said, you were going to be defended because it was always recognised that it would be so difficult to have an objective view as to what was well based and what was not. Do you know what I mean? So wouldn’t it be if … there are cases in recent history … I mean on both sides, left and right, Barry Spurr at the University of Sydney, Jake Lynch at the University of Sydney, where one was regarded in his emails which were somehow gotten to, as to right-wing and the other was regarded, because of his attitude to Palestine and the occupied territories as to left-wing, and these are individual cases. The old idea of academic freedom would have been that they would both have every right to even be absurd if they want to be.

**John Dewar**

It’s interesting. These cases often get sort of litigated in the media now much more than that’s been the case as well. There’s a lot more interest in the extent to which universities or academics within them are crossing an invisible line in terms of expressing views. As I say, the question of what is the scope you accord freedom of academic expression, I think, is one that is constantly debated in universities. Debates that I’ve been involved in have generally confined a guarantee of academic expression to those areas of academic expertise, and not to things where the individual is not particularly expert but somehow still expressing a view. I know that this is a particular concern of yours Rob, because you write on such a broad range of topics.

**Robert Manne**

I’m not an expert on most of them. But I mean, I read quite a lot, but in the narrow sense of specialisation, and I think it’s actually to do with being what’s now being called a public intellectual. You follow the things that are happening in the society, and so by definition, you’re not the expert in everything. You need to read a lot and think as hard as you can, but it’s … it used to be that if you wrote in your non-specialty you shouldn’t mention the university’s name. That seems to have gone away but that made some sense. The university I think would once have thought you need to defend its members more or less not because of their specialty but because they were members of the university and there was a threat that the state might invade the walls. It’s a difficult issue.

**John Dewar**

It is, it is. And as I say, I would hope that most Vice-Chancellors would defend their members of staff against criticism or punishment or retribution for expressing a view, but I remember having these debates at a previous institution about just what the scope of academic freedom was. It’s not straightforward.

**Adrienne Clarke**

Well, in a sense it all comes back to money I think. You know, in a sense he who pays the piper calls the tune. So, if the government pays a lot of money, they expect something and we have to negotiate the boundaries of that something. I think it’s really important that we … even though from a low base, we start to build our foundation moneys so that you have at least some independent financial backing. There are two important bits of any outfit – the money and the people, and at the moment we are pretty well totally beholden to the government. As a university we have very little in the foundation, although we’ve started to build that. It’ll take generations to really build it to a point where you’ve got sufficient independent financial clout to really not … to have a little bit more freedom in your negotiations with who’s giving you the money.

And with respect to the research budget, going back to the point about Lomborg, to many academics, one of the main difficulties was that here was a research position, as it were, an endowed position, but it was just given without any peer review, without any process, so when you allow … or when governments have the ability to do that, but we would I think, as a scientific community, really expect and hope that research moneys from government would be given on the basis of peer review. It’s imperfect, but it’s the best we’ve got. But when the government just hands out money to someone that they like, they support their position, then you start to erode the independence of research and the foundations of the research.

I think also as the Vice-Chancellor’s mentioned, there’s an increasing direction to give value to money from research, but this has been long-seated in Australia. I go back to the very first Centres of Excellence. They were to be in plant science, in mineral science, in information technology, which were seen to be important, and that’s okay. Within those, they did, each of them did amazingly excellent fundamental research. They had a one-line budget, and they could pursue ideas and they could build risk into those ideas. And I think still, with the research funding, it’s important to fight for that component of basic research in whatever grants are available, so there is always the ability to think widely, take a bit of risk, because that’s where the really new sound ideas come from. In scientific research, and I guess to a certain extent it is true for philosophy and public intellectuals.

**Robert Manne**

I’ll just ask one more question and then open it up. Then maybe we’ll have time, we can ask questions later.

I know John that the university’s very focussed on research. All universities now make research fundamental, and I think you’ve wanted to find ways in which the teaching function, the other great function of universities, is able to be rewarded and you take seriously the importance of the teaching function which in a way is a large part of the reason taxpayers give us so much money. Could you say something about how the research teaching functions of the university can be balanced against each other well?

**John Dewar**

Well, they’re both important of course, and I think one of the distinguishing features of universities compared with institutions which offer higher education but aren’t called universities is that we do research and generally the research is done by the people who are doing the teaching as well. I’m a strong believer in, so far as possible, people being able to do both and do both well, but inevitably recognising that some people will be better at one than the other, and/or that some people will need support in one of the other, which might include taking them away, or taking more of their time in one direction or the other. So I do think that increasingly universities, including this one, will adopt more of a specialised type of role, for both teaching and research. We’ve started moving in that direction already under the industrial frameworks we’ve got in the institution we can shape people’s workloads more around one area or the other, and we can reward people for doing them well. I think there will be more and more strain on the idea of teaching and research nexus because of that trend towards specialisation. But fundamentally I think if we can preserve it, I think it’s valuable and important to preserve it.

But in fact if you look at a lot of universities now, the real story is not happening in the fulltime tenured, or continuing, as we now call it, workforce. I think the real story is happening in the casualised workforce and in the fixed term contract workforce and that’s really where a lot of the specialisation is in fact happening. Across the sector as a whole a lot of teaching is now delivered by casual staff and they are just employed to teach, and increasingly a lot of research because of the way research funding works, is conducted by staff who are on short term, so called soft money contracts. And if you include those people into the picture, they become a very large part of the university workforce.

So to some extent that specialisation has happened but probably outside the framework of what most of us still think is the standard academic employment, and I think that trend will continue probably. My concern is that we’re able to offer, particularly young academics, a clear career path through the institution. First of all, opportunities for young academics, or aspiring academics, to get a foothold on the career ladder and then to have very clear choices before them about how they want that career to unfold and the rewards and opportunities that are associated with the choices they make. But I think it will become an increasingly specialised set of choices that people will have in front of them.

**Robert Manne**

Can I now suggest that we take questions and there’s a roving mike, so if you could wait for the microphone to arrive … also maybe indicate who you are and whether you are at the university or not and so on.

**Question:**

My name’s Nick Hoogenraad. I’m an Emeritus Professor these days. But John, I think it was probably inevitable that the Dawkins reforms would cause the sector to split somewhat and Adrienne and you both made the point that it’s important that we speak with one voice, so Pennington, while Vice-Chancellor at Melbourne University started the Group of Eight universities so they’ve in a sense, been a voice to look after those universities even though some of those eight universities may be less high-standing than some of the ones outside the group. And now ANU has just appointed a new Vice-Chancellor who’s an avowed elitist at a point that he would argue that ANU should be number one university and the government should ensure that it’s comparable to Harvard and Oxford. I’ve had private conversations with him and I’m really concerned about a person like him being in charge of a university.

So that raises the question that if the universities are like businesses, why haven’t we had amalgamations of universities to reduce the numbers rather than maintain this large number. Look at the University of California which came out of a land-grant scheme and as all the other state ones did where they have a whole diversity of universities, some concentrating on different things than others but we haven’t gone that route in Australia somehow.

**John Dewar**

I suspect there’s a relatively straightforward answer to that, and it has to do with an important difference between universities and companies. Universities have no shareholders. There is no market for control of universities. The only way you can merge two institutions is by legislation. We’re the creatures of state government legislation, the only way you can bring a merger about is to legislate it, which means that it then becomes part and parcel of the political process. It’s not just a commercial decision of investors buying enough shares on an open market. Politicians have to want a particular outcome and design legislation to achieve it and then have to get support for it. That means that any merger proposal is inevitably open to assault from virtually every side from people who want to oppose it. And there will always be people wanting to oppose a merger of institutions.

That’s not to say … it has happened on a very small scale, so the Gippsland campus of Monash now forms part of essentially a new university, the Federation University, so there has been a bit of movement and I’m told there are moves underway in Adelaide in South Australia – the state government there is trying to orchestrate a realignment, a re-organisation of its universities and TAFE system. But it’s very hard, because in the end it’s a political process it has to go through.

**Question:**

James Ottaway from the PPE Society at La Trobe. I’m also a third year student in the Bachelor of Politics, Philosophy, Economics. As much as I love my degree here at La Trobe, I’m disappointed in the cuts to the Economics subjects that’s happening at La Trobe. But of course I understand that you have to operate within a budget. It’s because of this that I’m perfectly willing to accept deregulation because I’d be happy to pay more in order to have the subjects I want.

But of course when I was choosing which university to go to, I didn’t know what I would actually get at each university, so I guess my question for you John, is, on a deregulated system what would you spend the money on and how would you address the information asymmetry that future students face when choosing a university?

**John Dewar**

It’s a great question. Firstly, I mean, we have given thought obviously, to what we would do in a deregulated fee environment, and our starting point has been, what do we think the students that we engage with would be willing to pay for a degree at La Trobe. Or able to pay. And the conclusion for the most part is that, not a great deal more than is being paid at the moment. So, I suspect that in a fee deregulated environment, La Trobe would not be one of the universities that would be pushing up its fees significantly. In fact, we would probably seek to recover the loss of public subsidy if the Pyne reforms went through, and probably not a lot more than that, except in some areas where there were exceptionally high demand from very well qualified students, but otherwise I suspect that as an institutional strategy, we would not be putting our fees up very much.

But I entirely accept … sorry, that relates to the point about why I support fee deregulation. It’s not so we can charge like a wounded bull at La Trobe – it’s so that other institutions can do that, and take the pressure off the rest of the sector in terms of recruitment.

On the second part of your question, I absolutely take your point that students, when they purchase a good, if you want to call it that, often don’t know what that consists of, and in fact you’re dealing with an institution on the other end of the contract who retains the right to change, as you’ve just highlighted, the terms of delivery at any point – up to a point. So I think the universities would have to be much more transparent about what students would get, and much more transparent about where the money goes. And that I think would be quite difficult for some institutions whose pricing would be based largely around their research ambitions, which for a lot of institutions would be the case. But I entirely accept that it would be incumbent on universities to be much more open about where the extra money goes and what students are getting for it. I absolutely accept that.

**Question:**

Teresa Iacono from La Trobe Health School in Bendigo. Thank you for the models. I like the notion of an ecological university. I think it aligns philosophically more than an entrepreneurial university. But my question is around an understanding of community expectations, given that we’re now becoming more aware of community responsibilities. Do you think we, as a university sector, have an understanding of community expectations and societal expectations and how those have changed over time? And I say community, knowing that we pride ourselves in meeting diverse student needs but I’m not sure if we really understand diverse expectations from the various sectors. So I wonder if you could comment on how those have evolved over time and whether we’re ready to meet those needs and expectations.

**John Dewar**

Well, I think other would be as well placed as I am to answer that, but I do think expectations have changed. I mean, part of what I was saying is that I think people now do ask the question, what are universities for, more now than perhaps they used to. The whole issue of the function and purpose of a university is debated more than it used to be. I think governments are pretty clear about what they expect. I think students, as our previous question illustrated, I think are increasingly likely to hold universities to account in various ways. As to what the broader community expects from universities, I’m less certain. I think there are sometimes very unrealistic expectations of what universities can do, which we may have contributed to, inadvertently. But again I think it goes to the ambiguity of being in an institution like a university that we claim to be for the public good in lots of ways, but then perhaps then sometimes recoil from actually being held accountable for whether we deliver it or not. And I think the previous question was such a good one in that sense, because it does highlight the extent to which the claims that universities make on the one hand and the extent to which they actually deliver on them on the other, are going to have to come more into line, possibly.

**Question:**

I’m Jenny. I’m an Arts student. So you’ve kind of been framing the discussion currently about us against the government, which means autonomy versus controls. And that’s not necessarily the way it needs to be. Consumerism is based on marketing a product and then making a profit from it. I’ve actually been through private education which relies heavily on consumerism, marketing that product and then making a profit, and I can tell you now it’s not very … not great at all actually. They don’t really care about your growth as a student. They are there for the money. The classes are very blended. They’re incredibly aligned, they’re heavily straining on the eyes and especially if you have a disability it’s very hard to participate in that course. And quite frankly, we’re not a GO8 here at La Trobe University. We don’t have the luxury of endless funding, and I don’t believe that’s why we’re here in the first place. We’re cater to the north and the north is predominantly a low SES university, because students here are disadvantaged and are from disadvantaged families. 70% of the Australian population are …

**Robert Manne:**

Can we get towards a question?

**Jenny:**

Yes, I’m coming. 70% of the Australian population actually don’t agree with deregulation so my question to all of you, is why are universities, particularly in Australia, afraid or not willing, whichever way you want to spin it, to fight against the increased fee cost to students in a system that is proven in other countries to largely disadvantage the sector and the students that are the reason the sector exists in the first place? Thank you.

**John Dewar**

Shall I have a go at answering that? Look, I think the sector has argued long and hard for maintenance and increase in public subsidy, but without much success, unfortunately. Public subsidy per student I should say, because the amount of money coming into the sector has grown significantly in the last five years, on the back of the growth in student numbers. The problem has been in the decline in the per student rate of funding.

So I don’t actually accept the proposition or the premise of your question that the university sector here has not argued long and hard for adequate funding. I think what you’re probably referring to is why did the sector seemingly come on board with the Pyne deregulation proposal last year. I suspect that’s more of what the question’s about. And I’ve tried to answer that question in the talk I gave in that unless we are confident that governments will continue to either maintain or increase per student funding at current rates or improve them, in an expanding system, I think we have to recognise that there’s a fork in the road, that either we reduce the per student funding, or we reduce the number of students basically. That’s the question.

And as I’ve said, the way I would address that trade-off for the reasons I gave is that there is to our students to pay more. Now, I’m sure others, I’m absolutely certain others, 70% perhaps, would disagree with me on that. But I’d be happy, as I am willing to do today, to debate that as the right solution to what I think is the position confronting us.

It’s not the first time incidentally that students have been asked to pay more. In fact, students now contribute more than they ever have, of the total cost of their higher education. The story since Dawkins has been of a progressive increase in the amount that students have been asked to pay. On average, the government still contributes 60%. Part of what Pyne offered as his rationale for the reform was to rebalance that to more like 50/50. Now you can argue as to the weight of that argument. The flaw in it so far as Pyne was concerned was that he had actually no way of guaranteeing that the public subsidy would remain at 50%, given that he was giving universities free rein to charge students what they liked. The actual proportion that government could end up paying would probably be a lot less than 50%. But let’s suppose that you accept the argument that a public subsidy is justified by the extent to which the thing being subsidised produces a public good. That’s generally how economists justify public subsidy is my understanding. And if you look at the data, the evidence seems to support the proposition that the benefits flowing from a higher education are roughly equally split between the public good and the private gain.

So I think there is scope on that rationale, for rebalancing the contributions between the two. But you know, I fully accept that it’s unpopular. It was unpopular back in 2007 or whenever it was that the then Education Minister, I think it was Brendan Nelson or Amanda Vanstone, one or the other, increased student contributions by to up to a maximum of 25%. And universities were given a choice as to whether they increased up to that maximum or not. In the end, every university did go up to the maximum and student contributions increased by 25% at the time. That was unpopular but it didn’t cause anything like the furore that last year did, and even though in a lot of institutions, the increases that would actually have resulted would have been a lot less than 25% I would expect.

So, it’s interesting how these issues get framed. But going back to where I started, I think we are at a point where we have to make a choice. More students or fewer students, basically, in the system.

**Robert Manne:**

We might have time for one more question, and then unfortunately our time is up.

**Question:**

Thank you John. John Russell, Bendigo. I’m an Honorary Associate now but I was here for fifteen years. Enjoyed it very much.

Since we’re talking money, I might just raise the question about … and it’s not a personal question John. It’s about remuneration to the managers of universities in Australia. And it’s a hypothetical question. I think it will be a hypothetical question unless things really change.

What do you think our outlook and prospects would be for higher education if basically the Vice-Chancellors and our managerial structure received … incomes and salaries were capped at basically the Prime Minister’s salary? There’s some fundamental things involved with that. The type of person that might come to a university. What do you think about that?

**John Dewar:**

Well, universities are fairly large and complex organisations. I realise that running a country is a pretty large and complex organisation. But they’re not precise comparisons because I think most politicians would see politics as one source of … over the course of a lifetime, would see a period of office in government as just one source of revenue over a period of a lifetime. So I’m not sure it’s a valid comparison. I mean, there are many former politicians who have gone on to make huge amounts of money, so I understand the intuitive appeal of the comparison but I wonder about its relevance.

I think the more relevant comparison is probably with those who run an equivalently sized organisation elsewhere, whether in the public or the private sector, and the Chancellor is probably better placed to answer this as being the person in charge of remuneration, but we do look very closely at what other organisations of similar size, both inside the sector and outside, pay their senior staff. It’s not an unregulated … in fact it’s taken very seriously by Council.

**Adrienne Clarke:**

Well, absolutely. I can say that the Council sets the remuneration of the Vice-Chancellor and looks to external benchmarks and places that in the middle, in the median, of the Vice-Chancellor’s salary for this sector. So it’s certainly quite modest.

If you look at an equivalent company, for instance, of equivalent size and turnover, the equivalent, which would be the Chief Executive of the companies that I’ve been involved with, would be paid considerably more.

**John Russell:**

It’s not personal – it’s a general question.

How does the relatively rate to US universities?

**John Dewar:**

Well, it depends … the US system is so diverse that it’s hard to draw comparisons. There have been some numbers referred to in the media recently. I think the highest paid president in the States is paid well over a billion dollars, so there are some very high rates of pay there. But that’s in the private part of the system. The public part of the system doesn’t pay so well. But we don’t have that same split here, between the public and the private.

**Robert Manne:**

Our time has come.

When the Ideas and Society program was formed, it was an aspiration to have meetings of something like the university community to come and talk rationally, calmly, about matters of public concern and mutual interest. I can’t think of a better exemplification of the ideal than today’s discussion where we’re really privileged to have both the Chancellor and Vice-Chancellor of this university and a very attentive audience come together to discuss something that is absolutely at the centre of what we all care for and what we hope to flourish. So I’d like with great sincerity to thank you both very much for today’s session and thank you all for coming.