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Does this model have legs?

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WHEN Mark Kettle was in year 12, he had no idea which career path he wanted to follow. Claiming no artistic spark, mathematical aptitude or business zeal, he decided to explore his love of history and eventually work overseas. The 18-year-old enrolled in an arts degree at Melbourne University and plans to apply for its graduate law program.

He says he was drawn by the university's prestigious reputation and long lineage, reasoning Melbourne might give him the international clout to realise his ambitions.

Six months into his degree, Kettle enjoys studying at the Parkville campus. But he has some concerns, prompted in part by recently announced job cuts and faculty mergers.

The global economic crisis has punched a \$191 million hole into the university's 2008 investment income, with 220 positions to be axed in a bid to save \$30 million this financial year. And many faculties - including medicine, economics and commerce, land and environment, and the Victorian College of the Arts and Music - now have to either restructure or tighten their belts.

The upheaval comes less than two years into the introduction of the Melbourne model, the biggest curriculum change in the university's 156-year history. Like many other "new generation" students studying under the model, a broad undergraduate degree with postgraduate specialisation, Kettle feels frustrated by some aspects of it.

A quarter of his academic load is taken up with mandatory "breadth" subjects - subjects from other faculties, designed to broaden students' academic experience. And, as a first year arts student, he also has to do foundation subjects - globalisation and democracy - which he says are too easy and limit his choices.

Kettle mourns the loss of many other subjects - particularly in his favourite area, philosophy - and a drop in international rankings. But most of all he wonders what the many changes will mean to the quality of his education. "I worry [the university's] reputation is being dragged down by the loss of subjects and lecturers," he says. "When I hear about how it used to be - a huge range of subjects and double degrees - I think, 'That would have been so good.' "

The extent to which the problems at Melbourne have anything to do with the model's implementation is open to debate. Vice-chancellor Professor Glyn Davis says "they're not linked, although the timing couldn't be more unfortunate". When the university planned its curriculum shift, it did so against its budget position at the time, he says. Since then, the economic downturn, coupled with inadequate indexation of Commonwealth funding and the Rudd Government's decision to abolish full-fee domestic student places, have taken their toll.

Even the university's remaining surplus is being used to pay off bank loans that were originally sought to build facilities such as University Square.

"When you're making a major change, the last thing you want is falling income in the middle of it. It really didn't help

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having a global financial meltdown, but we didn't see that one coming," says Davis.

"The fall in endowment income has hit every other university with an endowment; the loss of domestic fee-paying places has hit every Australian university too, and because we are the biggest provider of domestic fee-paying undergraduate places, it hit us harder than it hit anybody else - and by a fair margin. But these [financial changes] are not curriculum-based - they would have hit us regardless of what we were doing."

National Tertiary Education Union branch spokesman Ted Clark acknowledges the university has lost a lot of income, and that it is not alone. The University of Western Australia lost more than \$100 million from its investment portfolio, with a \$64 million loss overall. The University of Sydney lost \$150 million on its investments, and the University of NSW, \$87 million. Even smaller institutions, such as La Trobe and Victoria University, have had to shed hundreds of jobs in the face of budgetary restraints.

But Clark says the job cuts dovetail well with the reduction of subjects under the Melbourne model. He also questions the university's new policy of decentralising administration and budgeting by moving them back to individual faculties, called "responsible division management".

"The staff are now very concerned that the university's primary goal is to force the faculties to be the major money managers for the university, and the only recommendations that will come out of it are to sack more staff," Clark says.

While Clark's fears are yet to be realised, one thing is certain. Victoria's most prestigious tertiary institution is undergoing a period of rapid change when the higher education sector is already facing challenges from the downturn, the plateauing of international student enrolments and an 18-month wait before greater federal funding kicks in.

Student demand has so far been promising, with the university receiving 6208 first preferences for its six "New Generation" degrees in 2009 compared with 5608 in 2008. But internationally, the university slid 11 notches in the 2008 Times Higher Education-QS World University Ranking to 38, relinquishing its lead over the University of Sydney, which was placed 37th. On the Shanghai Jiao Tong University rankings - which the university considers the most rigorous ranking system - Melbourne is at No. 73 in the world and No. 6 in the Asia-Pacific region.

And then there are the internal woes. In late July an internal review of the School of Historical Studies recommended slashing staff numbers by a third to tackle an alleged \$2.5 million deficit. A week later it was revealed that the long-awaited merger of the Melbourne Business School with the faculty of economics and commerce came with "areas of overlap" between the two entities, and new dean Elizabeth Abernethy refused to rule out job losses.

Down at Southbank, the site of the former Victorian College of the Arts, which has merged with the university's music faculty, six schools have been merged into three and the musical theatre and puppetry courses have been dropped. And this week it was revealed the Melbourne School of Land and Environment - Australia's largest provider of sustainable-agriculture studies - would shed a third of its full-time teaching and research staff as part of the university-wide redundancy program.

The school's dean, Professor Rick Roush, says high employer demand for agricultural graduates has not translated into enrolments, with the field often overlooked by students with top year 12 marks. He dismisses suggestions that the university could have used its endowment to tide it through the tough times.

"That would be like burning the seed corn," he says. "The endowment is there for the long haul and right now we're in a tight spot because they gave silly home loans in the United States."

The changes have met widespread criticism, occasionally from some of the university's own. Renowned philosopher Peter Singer and the university's Ernest Scott professor of history, Stuart Macintyre, have expressed concerns about staff and subject cuts in philosophy and the humanities.

Actor Geoffrey Rush, former arts minister Race Mathews, and actor Julia Zemiro have all come out in support of students from the Victorian College of the Arts and Music, who say the practical nature of study at the renowned institution is under threat.

Film and television lecturer Ros Walker hopes the faculty might find a way to cut costs and balance the budget without losing staff. "The university is in the public focus for cutting the quality of the service they're offering to students. Students will question the value of the course they embark on."

Vice-chancellor Glyn Davis, however, is adamant that the impact of the latest changes will be minimal. There are "no plans" to shut down more courses, he says, and natural attrition will help bring staff numbers down. Far from compromising students' education, he says, the university will cut out unnecessary duplication and enhance online support services (where in the past they may have employed service offices).

He says maintaining the quality of the university's teaching is "very much on my mind" and concedes that morale among some staff has taken a hit in recent months.

But he adds that in most of the feedback he has had, staff have understood "that you make these choices as a last resort, never as a first.

"There's a number of things that we can do behind the scenes where we can produce the same quality of service but less staff, principally because we've got access to IT that improves the way we do things all the time," says Davis. "I know everybody's upset about cuts, including me, but we're talking about losing 100 people out of 9000. [A further 120 will go due to attrition and a hiring freeze.] Whatever the effects, you've got to take it in proportion."

But the job cuts have raised questions about the wisdom of relying so heavily on endowments. After all, Melbourne hasn't always depended so heavily on income from philanthropic donations.

Almost a decade ago, in 1999, its investment income was about \$20 million from a total operating revenue of \$613 million, or 3.2 per cent, according to its annual reports. But over recent years - until the economic crunch - it brought in returns of 15 per cent or more a year.

Many staff have also questioned the university's spending on consultancies, which has soared. In 1999, according to the annual report, there were 42 consultancies engaged at a cost of \$468,000, while in 2008 there were 127, at a cost of \$7.9 million.

Sitting in her office in the student union, student president Carla Drakeford sighs when asked what the future holds for the people she represents.

The 220 job cuts are "huge", she says. "We see a high correlation between staff workloads, overall depreciation of the quality of subjects and courses and the flow-on effect to students." But what most concerns her is the issue of equity. Under the new model, many subjects have shifted to graduate level, where the university is free to charge full fees.

"Every time I go to the Academic Board new master's courses are being proposed and a lot of them are full-fee. Melbourne has become a graduate university," Drakeford says.

Others say the university is going from strength to strength. Total preferences applications in arts, biomedicine, environments, music and science - five of the model's six "new generation" undergraduate degrees - have increased this year from last. Commerce declined slightly, but overall attrition rates at the university are the lowest in the country and retention rates are the nation's highest.

FACULTY deans stand by the educational underpinning of the new model, and believe the risks were worth it. One of the biggest risks, for instance, was the university's decision to ditch its traditional courses in early childhood, primary and secondary school education and replace them with a two-year master's of teaching. But according to education dean Field Rickards, graduates come out with better training and superior qualification. University survey results also show students have more favourable perceptions of their subjects than they did before the model was introduced.

The university knows, however, that there are more challenging times ahead, and is rethinking its strategy. A discussion paper released earlier this year, *Refining Our Strategy*, points to a number of changes, including a revamp of the model's "breadth" subjects and a review of its graduate courses to ensure they offer what students want. Burned by the economic crunch, the university will also re-examine "the dangers of relying on investment income to cover operating expenses".

Meanwhile, Mark Kettle is looking forward to his second year, when he can leave his foundation subjects behind and exercise more choice in deciding his path. He'd still recommend Melbourne University to friends who are unsure of their direction in life - believing it offers a broad education - but will tell those with a chosen profession in mind to

look at other options.

"I want my education taken seriously when I travel or work overseas," he says. "At the moment Melbourne's still the top choice, but is it going to stay the best or will another uni take over?"

This story was found at: <http://www.theage.com.au/national/does-this-model-have-legs-20090814-e18u.html>