



THE UNIVERSITY OF  
WESTERN AUSTRALIA

**Educational Profile Submission for the 1999-2001 Triennium**  
**INSTITUTIONAL PLANNING**

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## **1. THE EDUCATIONAL PROFILE CONTEXT**

This Educational Profile submission for the 1999-2001 triennium is presented in the context of a comprehensive planning process in which The University of Western Australia has set a clear vision for its future as a high quality, research-intensive, internationally-focused university, characterised by:

- A comprehensive academic profile with a broad discipline mix in the arts, sciences and the professions.
- An active research programme in all our chosen disciplines, with concentrations of activity in areas of particular strength and opportunity.
- A postgraduate emphasis commensurate with a research-intensive environment.
- A high quality undergraduate programme in which teaching and learning takes place in an atmosphere of research and scholarship.
- An international focus for all activities and standards as the overriding test of quality and performance in the long term.
- A pervasive concern for quality in all facets of University endeavour - staff, students, programmes, facilities, management and resources.

These characteristics are fully embodied in the University's strategic and operational plans, and in its key policies and decision criteria, at all levels in the institution (section 2 below expands on this).

It is one thing to pursue such a vision but quite another to achieve it in an operating environment which is both highly competitive internationally yet highly regulated domestically. The University sees as the primary planning challenge facing the system the pursuit of strategies that will reduce regulation within the Australian higher education sector, and increase both the level and diversity of funding available, to enable universities to achieve internationally competitive standards.

We see this as an imperative not only for this University's mission but for the nation's long term social and economic prosperity. There are no Australian universities that can compete with the very best internationally, simply by virtue of the funding 'gap' between our universities and the world's best. Current Commonwealth Government policy is steadily reducing public investment in higher education and shifting more of the funding burden onto private contributions from students. Per capita Commonwealth funding for teaching has declined alarmingly over the last ten years and research infrastructure, and research support generally, requires a major infusion of funds. The Government restrictions on universities' funding - via such vehicles as fees policy, enrolment/load targets, research funding, scholarships policy, industrial policies - need to be relaxed and/or improved to enable universities the flexibility to supplement declining Government support on a more competitive basis. Alternatively, public funding needs to be restored and significantly enhanced to levels which realistically match those of the best universities worldwide.

## **2. INSTITUTIONAL PLANNING**

The University's planning process comprises three distinguishable yet closely integrated phases: strategic planning, operational and management planning, and performance monitoring.

The UWA Strategic Plan is at the peak of the process, setting the mission, the values, the broad strategic directions, and the primary goals and objectives that underpin all University activity and provide the framework for decision-making in the medium to long term.

This year, the University is launching an Operational Priorities Plan, entitled 'Achieving International Excellence', which sits 'between' the strategic plan and the various management plans referred to below. It is designed to give a sharper focus to operational planning by selectively assigning priority to those areas which the University sees as being most crucial to improving quality and achieving its overriding goal of international excellence in the immediate future. The Plan is being driven by the Vice-Chancellor and developed by four Working Parties working in each of the four broad inter-related themes around which the plan is structured. These are: internationalisation, teaching and learning, research, and resourcing and management. The Working Parties are being carefully coordinated and the thrust of the plan is that the international focus provides the overarching context within which teaching and learning and research - the core academic activities - must be developed, and that underpinning this must be a resource base and management strategies commensurate with the highest international standards. The Plan will serve both as a quality improvement tool and a management tool, as each priority area is assigned specific targets and implementation responsibility.

A series of management plans then take up these themes and priorities and translate them into detailed operational plans for the short to medium term, to give them operational substance in terms of specific policies, procedures and resource decisions. The key management/operational plans are the:

- Research Management Plan
- Teaching and Learning Management Plan
- Community Services Management Plan
- Internationalisation Management Plan
- Capital Management Plan
- Financial Management Plan
- Equity Plan
- Equal Opportunity Management Plan
- Human Resources Management Plan
- Admission and Quota Policy/Enrolment Plan

Ultimately, all these plans need to be backed by decisions in the University Budget.

The final phase in the planning process is performance monitoring and reporting. The University monitors its performance through a variety of means, such as objective measurement using performance indicators (both comparative/cross-sectional and time series), formal reviews and evaluations, both internal and external, and external referencing and benchmarking. Major outcomes are reported in the University's Annual Report and Quality Report; more detailed outcomes are monitored in management reports, for example, via an on-line Executive Information System (EIS), and through periodic reporting of review findings.

It is worth emphasising that throughout each 'layer' of planning, from strategic to operational, the primary and pervasive consideration is quality, both quality assurance and quality improvement, in the context of the University's particular role and mission. Our 'quality improvement plan' therefore, would be a package of the University's strategic and operational plans in which quality considerations have been 'mainstreamed' and embodied at every level. We do not subscribe to the notion that a quality improvement 'plan' can be produced - along the lines of Profile Attachment F -

by extracting "*mission/statement of objectives in relation to quality*", and describing each and every strategy we have for achieving them. Such a document would fill volumes, even if it were conceptually possible to separate out the 'quality' component of the University's planning. The University also believes that the mixing of a descriptive and prospective process focus with an evaluative output/performance focus is confused in the guidelines (Attachment F), and not feasible to present meaningfully as a 6-page 'plan'. Our solution to this is to focus our quality submission primarily on an assessment of the University's performance over time in relation to its strategic and operational goals and objectives, to highlight some priorities for improvement, and to make available to you, for reference, our strategic and operational plans, which taken together, constitute our approach to quality improvement across the wide span of University activity (see Appendix 1).

### **3. STUDENT LOAD - PLANNING, PERFORMANCE AND TARGETS**

The planning of the University's student mix is guided by:

- The principles, characteristics and objectives in the UWA Strategic Plan and the Admission and Quota Policy.
- Prevailing supply and demand factors in any given admissions and enrolment period.
- Restrictions imposed by the Commonwealth in its Educational Profile targets and its higher education policy framework.

In brief, the UWA Strategic Plan commits the University:

- To aiming at a long term target enrolment mix of 75% undergraduate, 25% postgraduate students.
- To attracting the highest quality students possible, both domestic and international, in each enrolment category.
- To assigning priority to research students, particularly PhD students, within postgraduate load, and to high quality school leavers and honours students within undergraduate load.
- To maintaining a broad-based academic profile in the arts, sciences and professions, in which undergraduate teaching/learning takes place in an active research and postgraduate environment.

These elements are integral to the vision, described earlier, of a high quality, research-intensive internationally-focused university.

The University's Admission and Quota Policy attempts to give effect to these principles on an annual basis guided by the criteria of quality, equity, balance and capacity. Adjustments between enrolment categories, course levels and discipline areas are made against these criteria.

With regard to the impact of Commonwealth policies on University planning, while in principle the Commonwealth priorities for undergraduate and research students are compatible with our plans, the application of Commonwealth funding policy in conjunction with strict load targets is working directly against the University's objectives. Over a sustained five year period, Commonwealth funding and load policy has moved or is moving the University from a student load mix of 83% undergraduate, 17% postgraduate in 1996 to 87% undergraduate, 13% postgraduate in 1998, to 88% undergraduate 12% postgraduate by the year 2000. This is essentially the result of Commonwealth policy with regard to postgraduate coursework load being shifted out of the Operating Grant and the blanket application of a strict formula to reduce total load while maintaining or increasing undergraduate load targets. For a comprehensive research and postgraduate university such as this, the policy is being applied at a rate and to an extent that exceeds this University's capacity to find alternative funding sources. Apart from the questionable policy of removing public funding for postgraduate coursework, the market in WA simply will not, at this stage, bear a full cost fee regime across all discipline areas, and there is little room for adjustment within the profile because

our base proportion of undergraduate and research students was particularly high, and postgraduate coursework relatively low, when this policy was first applied. We believe that there is a real danger that advanced postgraduate study will be severely and adversely affected by the application of a policy pitched at a system 'mean' impacting differentially to the detriment of research-intensive universities with a major postgraduate commitment.

### 3.1 Performance against 1998 Load Targets

The University's load outcomes for 1998 are shown below in a table that compares the actual 31 March outcomes with the DEETYA targets and estimates the likely 31 August outcomes.

	DEETYA Target		Actual	Estimated	Difference	
	31 March	31 August	31 March	31 August	31 March	31 August
Total Load	9960		10443	10226	483	266
Undergraduate	8650		8746	8555	96	-95
Postgraduate	1310		1697	1671	387	361

The most significant feature of this outcome is that despite exceeding the DEETYA total load target by 483 EFTSU at 31 March and by 266 EFTSU (estimated) at 31 August, we expect to fall short of the undergraduate target by 95 EFTSU at 31 August.

A preliminary analysis of this outcome, given that our student load plan was to meet exactly the DEETYA undergraduate target, reveals the following enrolment characteristics in 1998.

- Re-enrolling (continuing) undergraduate student load is significantly (239 EFTSU) below the level planned/expected (using historical re-enrolment projections), and this counts for the entire undergraduate shortfall.
- Commencing undergraduate student load is above the level initially planned as a result of a decision to increase intakes - by 142 EFTSU - when the first indication of a change in re-enrolling patterns was evident during the admission and enrolment period.
- The two most significant variations giving rise to the below-expected re-enrolments are:
  - a reduction in the average load taken by Bachelors pass degree re-enrolling students, from 0.888 EFTSU to 0.876 EFTSU, accounting for 64 EFTSU. (Between 1997 and 1998, Operating Grant enrolments increased by 12 yet load dropped by 40 EFTSU).
  - a reduction in the re-enrolment rate of continuing Bachelors pass students, most noticeable in the BSc and BA degrees which were both 52 enrolments below expected levels (though this was partially offset by increases in retention from Pass to Honours).

It is too early to identify the reasons for these changes in the pattern of re-enrolment, though a partial explanation appears to be that many students have changed their enrolment behaviour in response to changes in the HECS arrangements. The re-enrolment rate of Bachelor pass students who commenced in 1997 and became subject to differential HECS in 1998, certainly dropped, but the decline was not confined to that cohort. We suspect that students may be making their enrolment decisions earlier in light of HECS and that a commensurate reduction in attrition rates during the year might be experienced.

### **3.2 Planning for 1999-2001**

As part of this year's Admission and Quota round we plan to undertake further analysis of the re-enrolment issue, particularly as re-enrolment rates appear to be reverting to the pattern of 2-3 years ago, before significant changes to HECS occurred. The intention will be to increase intakes to the extent needed to meet the Commonwealth undergraduate target, taking care not to over compensate in this area and so lead to significant over-enrolment similar to that experienced in 1992 (as the enrolment pipeline of a major intake adjustment flows through).

The anticipated policy interventions in 1999 and 2000 admissions have been factored into the attached Educational Profile tables in aggregate terms; the precise distribution of those adjustments across the undergraduate programme will be determined at the time against the criteria of quality, equity, balance and capacity, as discussed earlier. The net result is planned to be a zero shortfall in undergraduate load in 1999 and beyond.

With regard to the University's planned longer term student enrolment mix of 75:25 undergraduate: postgraduate, we recognise that with Commonwealth policy working directly against our goals, strategies to achieve them will necessarily focus on non-Operating Grant sources and, as mentioned earlier, this is a major thrust of the University's Operational Priorities Plan. Any relaxation in Government regulation of scholarships allocations and load targets would be a significant improvement.

With regard to the course and discipline mix, we do not expect, nor are we planning for, any significant changes in the distribution of student load by major discipline group. Though there are many small enrolment shifts associated with new academic programs, these shifts are likely to be accommodated within an essentially stable discipline mix.

The Educational Profile tables P1-P4 are attached on the following pages.

1998 EDUCATIONAL PROFILES STUDENT LOAD DATA COLLECTION

INSTITUTION : The University of Western Australia

TABLE P1 - TOTAL OPERATING GRANT LOAD (EXCLUDING NON-OVERSEAS FEE-PAYING POSTGRADUATE LOAD)

STATE : Western Australia

BY COURSE TYPE GROUP AND DISCIPLINE CATEGORY

(A) COMMENCING STUDENTS

YEAR & COURSE TYPE GROUP		DISCIPLINE CATEGORY														TOTAL EFTSU	
		Non-English langs.	Behav. Science	Other Social Stud.	Other Humanities	Edu-cation	Sciences	Maths, Stats.	Compu-ting	Visual Perf. Arts	Eng./ Proc./ Surv.	Med./ Dent./ Vet. Sci.	Nurse/ Other Health Sci.	Admin/ Bus./ Eco./ Law	Environ- excl. Surv.		Agri- culture
		EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU
1997 Actual	Higher degree research																332
	Higher degree coursework																127
	Other postgraduate																267
	Undergraduate																2737
	Enabling																27
<b>TOTAL OP. GRANT LOAD</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3490</b>
1998 Est.	Higher degree research																284
	Higher degree coursework																36
	Other postgraduate																214
	Undergraduate																2772
	Enabling																38
<b>TOTAL OP. GRANT LOAD</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3343</b>
1999 Planned	Higher degree research																299
	Higher degree coursework																47
	Other postgraduate																192
	Undergraduate																2876
	Enabling																38
<b>TOTAL OP. GRANT LOAD</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3451</b>
2000 Planned	Higher degree research																299
	Higher degree coursework																47
	Other postgraduate																192
	Undergraduate																2849
	Enabling																38
<b>TOTAL OP. GRANT LOAD</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3424</b>
2001 Planned	Higher degree research																299
	Higher degree coursework																47
	Other postgraduate																192
	Undergraduate																2843
	Enabling																38
<b>TOTAL OP. GRANT LOAD</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3418</b>

Comments:

1998 EDUCATIONAL PROFILES STUDENT LOAD DATA COLLECTION  
TABLE P1 (Continued)

INSTITUTION : The University of Western Australia  
STATE : Western Australia

(B) ALL STUDENTS

YEAR & COURSE TYPE GROUP		DISCIPLINE CATEGORY														TOTAL EFTSU	TOTAL EFTSU MINUS TARGET EFTSU	
		Non-English langs.	Behav. Science	Other Social Stud.	Other Humanities	Educational	Sciences	Maths. Stats.	Computing	Visual Perf. Arts	Eng./Proc./Surv.	Med./Dent./Vet. Sci.	Nurse/Other Health Sci.	Admin/Bus./Eco./Law	Environ excl. Surv.			Agri-culture
1997 Actual	Higher degree research																1030	
	Higher degree coursework																159	
	Other postgraduate																215	
	Undergraduate																8584	
	Enabling																30	
	<b>TOTAL OP. GRANT LOAD</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10017	
	<b>TARGET OP. GRANT LOAD</b>																10105	-88
	<b>UNDERGRAD. TARGET</b>																8505	
1998 Est.	Higher degree research																1041	
	Higher degree coursework																130	
	Other postgraduate																245	
	Undergraduate																8515	
	Enabling																40	
	<b>TOTAL OP. GRANT LOAD</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9970	
	<b>TARGET OP. GRANT LOAD</b>																9960	10
	<b>UNDERGRAD. TARGET</b>																8650	
1999 Planned	Higher degree research																1063	
	Higher degree coursework																121	
	Other postgraduate																223	
	Undergraduate																8625	
	Enabling																40	
	<b>TOTAL OP. GRANT LOAD</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10071	
	<b>TARGET OP. GRANT LOAD</b>																9980	91
	<b>UNDERGRAD. TARGET</b>																8665	
2000 Planned	Higher degree research																1061	
	Higher degree coursework																118	
	Other postgraduate																222	
	Undergraduate																8714	
	Enabling																40	
	<b>TOTAL OP. GRANT LOAD</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10155	
	<b>TARGET OP. GRANT LOAD</b>																9965	190
	<b>UNDERGRAD. TARGET</b>																8750	
2001 Planned	Higher degree research																1051	
	Higher degree coursework																118	
	Other postgraduate																222	
	Undergraduate																8776	
	Enabling																40	
	<b>TOTAL OP. GRANT LOAD</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10207	

Comments:

1998 EDUCATIONAL PROFILES STUDENT LOAD DATA COLLECTION

TABLE P2 - OPERATING GRANT LOAD INCLUDED IN TABLE P1(B) FOR UNITS OF STUDY

UNDERTAKEN VIA EXTERNAL MODE OF ATTENDANCE BY DISCIPLINE CATEGORY

INSTITUTION : The University of Western Australia

STATE : Western Australia

YEAR	DISCIPLINE CATEGORY															TOTAL EFTSU	
	Non-English langs.	Behav. Science	Other Social Stud.	Other Humanities	Educational	Sciences	Maths, Stats.	Computing	Visual Perf. Arts	Eng./Proc./Surv.	Med./Dent./Vet. Sci.	Nurse/Other Health	Admin/Bus./Eco./Law	Environ excl. Surv.	Agriculture		
	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	
1997 Actual																	0
1998 Estimated																	0
1999 Planned																	0
2000 Planned																	0
2001 Planned																	0

Comments:

1998 EDUCATIONAL PROFILES STUDENT LOAD DATA COLLECTION

INSTITUTION : The University of Western Australia

TABLE P3 - STUDENT LOAD FOR NON-OVERSEAS FEE-PAYING POSTGRADUATE STUDENTS AND NON-OVERSEAS FEE-PAYING

STATE : Western Australia

UNDERGRADUATE STUDENTS (EXCLUDING NON-AWARD COURSE STUDENTS), BY COURSE TYPE GROUP AND DISCIPLINE CATEGORY

YEAR AND COURSE TYPE GROUP		DISCIPLINE CATEGORY														TOTAL EFTSU		
		Non-English langs.	Behav. Science	Other Social Stud.	Other Humanities	Edu-cation	Sciences	Maths, Stats.	Compu-ting	Visual Perf. Arts	Eng./ Proc./ Surv.	Med./ Dent./ Vet. Sci.	Nurse/ Other Health	Admin/ Bus./ Eco./Law	Environ excl. Surv.		Agri-culture	
		EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	EFTSU	
1997 Actual	Higher degree research																	0
	Higher degree coursework																	113
	Other postgraduate																	116
	<b>Total Load</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	229
1998 Est.	Higher degree research																	0
	Higher degree coursework																	193
	Other postgraduate																	62
	Undergraduate																	2
<b>Total Load</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	257	
1999 Planned	Higher degree research																	0
	Higher degree coursework																	239
	Other postgraduate																	80
	Undergraduate																	2
<b>Total Load</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	321	
2000 Planned	Higher degree research																	0
	Higher degree coursework																	254
	Other postgraduate																	84
	Undergraduate																	2
<b>Total Load</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	340	
2001 Planned	Higher degree research																	0
	Higher degree coursework																	259
	Other postgraduate																	82
	Undergraduate																	2
<b>Total Load</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	343	

Comments:

1998 EDUCATIONAL PROFILES STUDENT LOAD DATA COLLECTION  
TABLE P4 - TOTAL STUDENT LOAD BY FUNDING SOURCE

INSTITUTION : The University of Western Australia  
STATE : Western Australia

TYPE OF STUDENT LOAD		TOTAL EFTSU				
		1997 Actual	1998 Estimated	1999 Planned	2000 Planned	2001 Planned
<b>PART (i): TOTAL OPERATING GRANT</b>	<b>LOAD (EXCLUDING NON-OVERSEAS FEE-PAYING POSTGRADUATE LOAD) CARRIED ACROSS FROM TABLE P1(B)</b>	<b>10,017</b>	<b>9,970</b>	<b>10,071</b>	<b>10,155</b>	<b>10,207</b>
<b>PART (ii): OTHER STUDENT LOAD</b>	Non-overseas fee-paying postgraduate student load	229	256	320	339	341
	Non-overseas fee-paying undergraduate student load		2	2	2	2
	Overseas fee-paying student load (including non-award course load for overseas students)	1,580	1,523	1,481	1,462	1,470
	Load for non-overseas students in non-award courses	1	1	1	1	1
	Load for non-overseas students in State-funded places					
	Load for non-overseas students in HECS-exempt Commonwealth-Industry Places Scheme					
	Load for non-overseas students in HECS-liable Commonwealth-Industry Places Scheme		7	0	0	0
	Load for non-overseas students in courses fully-funded by an employer					
	Other load not included above	26	26	26	26	26
	<b>Sub-total other student load</b>	<b>1,835</b>	<b>1,815</b>	<b>1,831</b>	<b>1,830</b>	<b>1,841</b>
<b>PART (iii): TOTAL STUDENT LOAD (PART (i) plus PART (ii))</b>		<b>11,852</b>	<b>11,785</b>	<b>11,902</b>	<b>11,984</b>	<b>12,047</b>
<b>PART (iv): NURSE EDUCATION STUDENT LOAD INCLUDED IN THE STUDENT LOAD REPORTED ABOVE IN PART (i)</b>	Basic nurse education course load					
	Post-basic and higher degree nurse education course load					
	<b>Total nurse education course load</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Comments:

## 4. RESOURCE MANAGEMENT

### 4.1 Finance

The University's audited 1997 financial statements have been forwarded under separate cover in accordance with standard reporting requirements.

The University's primary financial goal has two components: *"the first is to maximise the resources available to the University from a diversity of funding sources; and the second is to optimise the efficient and effective use of scarce resources in the achievement of the strategic plans of the University and its constituent parts."* [UWA Strategic Plan, page 11]

This is addressed primarily by the two major elements of the University's financial management - the University's investment and endowment/income generating policies, and the University Budget.

The management of investments and endowments has enabled UWA to achieve the highest proportion of non-operating grant funding of any Australian university, with over half of the University's income being from non-operating grant sources in 1996.

The University Budget is plan-driven and performance-based. UWA was the first university to develop explicit performance-based funding in research which led to the development of a national research performance funding component. Details of the UWA Budget have been set out in previous Quality submissions and it has been recognised as an example of system 'best-practice' by the Committee for Quality Assurance in Higher Education.

The University has a detailed Financial Management Plan which describes fully the University's budget process and investment strategies.

A summary of income estimates for 1998-2000 is given below:

- Income Estimates**

	Revised 1998 \$M	Estimated 1999 \$M	Estimated 2000 \$M
Commonwealth Government Grants (including HECS)	155	159	162
State Government Grants	8	8	8
Other Research Grants	34	34	35
Donations and Bequests	7	8	9
Investment Income	29	32	32
Fees and Charges	32	30	30
Other	22	23	24
Total Income	<u>287</u>	<u>294</u>	<u>300</u>

- Summary Cash Flow Requirements 1998-2000**

	1998 \$M	1999 \$M	2000 \$M
Opening Balance - Unrestricted Funds	135	130	116
Income	287	294	300
Expenditure			
Salaries	97	107	107
Taxation	47	52	52
Superannuation	25	27	27
Creditors	105	108	108
Capital Works	18	14	11
	<u>292</u>	<u>308</u>	<u>305</u>
Estimated Closing Balance - Unrestricted Funds	<u>130</u>	<u>116</u>	<u>111</u>

Excludes property sales and purchases.

### • **Estimated Reserve Balances 1998-2000**

The anticipated movement in reserve funds assuming no abnormal transfers are as follows:

	1998 \$M	1999 \$M	2000 \$M
Capital Reserves			
Balance at beginning of year	67.8	69.9	73.3
Movements during year	2.1	3.4	3.5
Balance at end of year	<u>69.9</u>	<u>73.3</u>	<u>76.8</u>
Faculty/Departmental Balances			
Balance at beginning of year	40.2	36.2	30.7
Movement during year	-4.0	-5.5	-6.0
	<u>36.2</u>	<u>30.7</u>	<u>24.7</u>

## 4.2 Capital

The University's Capital Management Plan aims to provide the physical infrastructure and environment necessary to enable the University to achieve its primary goals, by optimising the funds available from the Commonwealth, and from the University's own investment and endowment income. The balance in the University's capital works programme between new building projects, major refurbishment, maintenance and minor works is under continual review in the context of campus planning and design principles, health and safety standards, shifting academic emphasises in teaching and research, access and service requirements.

The table on the following page, as required in the Educational Profile guidelines, has been extracted from the University's Capital Management Plan and should be viewed in conjunction with the University's financial statements. A notable feature of the University's capital management is the extent to which expenditure exceeds the capital funds provided by the Commonwealth via the capital roll-in component of the Operating Grant. Contributions to capital works from the University's own investment income amounted to some \$33 million between 1993 and 1997.

## 4.3. Information Technology

The University is committed to ensuring that it obtains maximum benefit from harnessing new technology across the full range of its academic and support activities.

Some major recent initiatives include:

- A review by the Flexible Programme Delivery Task Force has led to many recommendations for using IT to enhance students' learning experience and the University is currently engaged in a consultative process with faculties to finalise an institutional strategy. The outcome will be backed by resource support in the 1998 Budget round.
- More streamlined student administration and student services are being developed through a number of funded projects which focus on improved administrative procedures, improved information services, and electronic records management. Much of this work involves the improved use of web technology as well as mainstream administration computing systems.
- The Library has been a leader in developing web technology for information services and has a successful CygNET service developed in consultation with students and staff users of library services.
- Major new finance, accounting and human resource systems have been progressively installed this year and in many cases are now fully operative. This will produce more efficient administration and management information across the University.

An Information Strategy Working Party has been established to oversee and coordinate development of a comprehensive University-wide IT strategy.

<b>CAPITAL MANAGEMENT PLAN</b>
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	1998	1999	2000	2001
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>Projected Capital Income</b>				
DEETYA funding				
- Capital roll-in	6.62	6.62	6.62	6.62
- Capital development Pool	Nil	Nil	Nil	Nil
- Rationalisation and Restructuring Programme	Nil	Nil	Nil	Nil
- Operating Grants (other than roll-in)	5.7	5.8	5.8	5.8
Allocations from internal university sources				
- Loans	Nil	Nil	Nil	Nil
- Other	12.3	8.98	8.97	8.96
External sources				
- Loans	Nil	Nil	Nil	Nil
- Other	Nil	Nil	Nil	Nil
<b>Total</b>	<b>24.62</b>	<b>21.4</b>	<b>21.39</b>	<b>21.38</b>
<b>Projected Capital Expenditure</b>				
New buildings	10.14	21.83	27.5	10
Building refurbishment and maintenance	19.82	7.43	7.3	7.3
- as a percentage of Capital Replacement Value	4.0%	1.5%	1.3%	1.2%
Information technology infrastructure *	Nil	Nil	Nil	Nil
Debt redemption	Nil	Nil	Nil	Nil
<b>Total</b>	<b>29.96</b>	<b>29.17</b>	<b>34.8</b>	<b>17.3</b>
<b>Surplus (deficit)</b>	<b>-5.34</b>	<b>-13.11</b>	<b>-26.52</b>	<b>-22.44</b>
	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Debt redemption as a proportion of capital roll-in funds	%	%	%	%
	Nil	Nil	Nil	Nil
External capital borrowing as a proportion of total university external borrowings and advances	Nil	Nil	Nil	Nil

\* Usually provided from building funds

Notes:

1. Expenditure on Building Refurbishment and Maintenance includes all refurbishment work funded by the Capital Works Programme, the Minor Works Programme and the maintenance budget.
2. Maintenance and the Minor Works Programme expenditure for the years 1999-2001 can be estimated because all of the money allocated will be spent. In addition the annual allocation of \$500,000 to improve campus infrastructure and building services and the \$1 million allocated for hot spot air-conditioning will be expended. Other refurbishment work will be identified as it becomes necessary, for example successful research applications, the development of new courses or the employment of new staff may require alterations to buildings. Given current commitments for new buildings, the University will have to decide how it will fund this work.
3. Expenditure on Building Refurbishment and Maintenance was very high in 1998 because the University was involved in a number of major refurbishment projects including:
  - Physics, 4<sup>th</sup> and 5<sup>th</sup> floors and basement
  - Agriculture Institute
  - Ground floor of Anatomy Building
  - Botany Annexe
  - Engineering Building
  - Old Bookshop

Expenditure on these projects will not carry forward to 1999.

## **5. POLICY ISSUES**

The University looks forward to discussions with the Commonwealth on major policy issues. Some key contemporary issues, which might serve as useful discussion headings at our Educational Profile meeting, are briefly discussed below.

### **5.1 Fees**

UWA decided not to participate in the '25%' fees scheme for Australian undergraduate students in 1998. Our position on fees will depend very much on the policies that emerge post-West and post-election; however, our philosophical position remains centred around some key themes, such as:

- The imperative of continued and substantial public funding for all higher education (in recognition of the continued and substantial public benefit of all higher education).
- The need for a less regulated environment with regard to Commonwealth funding and load policy (to enable universities to tackle the funding 'gap' and offer a diversity of profiles).
- A concern for the protection of equity of access in the form of income contingent loans to support a fees/student contribution scheme.

### **5.2 Funding Arrangements for Salary Increases**

The implications of the current Commonwealth funding policy with regard to salary increases arising from due industrial processes are serious for universities who are attempting to maintain internationally competitive staffing policies and levels. After years of declining per capita Government support for higher education there is insufficient scope for universities themselves to absorb and fund salary increases. We advocate a policy mix of appropriate Commonwealth indexation and deregulation to enable universities to cope with salary increases in an enterprise bargaining context.

### **5.3 Rationalisation and Collaboration**

The University has placed a high institutional priority on enhancing collaboration at all levels, particularly where the resultant rationalisation of activities will lead to increased effectiveness, efficiencies and quality improvements. We have refined our collaboration policy to extend its reach so that strategies can be developed to promote collaboration between departments, faculties, universities, public and private sector organisations, community and professional groups, and other educational sectors.

Examples of some notable recent initiatives are:

- The Institute of Education, which is a collaborative venture to bring together the Schools of Education at UWA and Murdoch University.
- The WA Institute of Music Education, which is a similar collaborative approach to combining the strengths of the UWA School of Music with Edith Cowan University's Academy of Performing Arts in the area of music education.
- A BSc programme in Horticulture and Viticulture, to be offered jointly under a collaborative arrangement between UWA and the University of Adelaide, by the respective agriculture schools.
- The Council of Minerals and Petroleum Education and Research, which is being developed as a major collaborative venture between UWA, Curtin and Murdoch Universities (a Memorandum of Understanding has been signed by the 3 universities) and the minerals and petroleum industries, to offer world class higher education to graduates in these fields.

#### 5.4 Quality Assurance

The University has concerns about the model of quality assurance currently being pursued by DEETYA to the extent that it continues to confuse performance reporting with quality improvement planning. We support the notion of reporting the University's performance in terms of the **outcomes** achieved against the institution's primary goals and objectives; over time, such performance reporting indicates quality improvement in terms of these outcomes.

We do not support however, the approach of describing the many detailed strategies universities will be putting in place to achieve quality improvement in the many and varied dimensions of their activity. Any attempt to spell out the host of processes, policies, procedures and actions which relate to quality improvement (across teaching and learning, research, community services, management, equity and student services) would fill volumes, would imply an excessively intrusive and, in our view, inappropriately micro-management approach by DEETYA to auditing University performance, and could reveal competitively sensitive information in some areas.

#### 5.5 Performance Indicators

The University is sceptical about the current approach to performance indicators being taken by DEETYA for reasons we have spelled out fully in earlier submissions to the Department. Our concerns are both conceptual and practical, for example:

- The 'league table' approach to publishing performance indicators implies a uniformity of mission, objectives and standards across institutions that simply, and appropriately, does not exist. Performance indicators to be meaningful must relate to an institution's own goals and objectives and reflect its own quality standards.
- Performance indicators used at the system level by simple aggregation and averaging will encourage convergence to the mean particularly if attached to any kind of reward or funding system, either explicit or implicit.
- Attempts to construct 'value added' indicators to reflect different input quality will fail unless output quality can be measured.
- The continued use of flawed and discredited measures - such as postcodes as a measure of socio-economic status - undermines the credibility of certain indicators.
- The considerable differences in institutional structures, accounting and reporting conventions and methodologies renders many of the comparative financial data unreliable and invalid.

This University is keen to participate in the ongoing debate on the use of credible performance measures that might be appropriate both for evaluating the sector's performance overall, and in relation to an individual institution's performance against its goal and objectives.

## **APPENDIX 1**

List of documents available on request:

- UWA Strategic Plan
- Operational Priorities Plan 'Achieving International Excellence'
- Research Management Plan
- Teaching and Learning Management Plan 'Teaching and Learning: Planning, Management and Quality Assurance'
- Community Services Management Plan
- Internationalisation Management Plan
- Financial Management Plan
- Capital Management Plan
- Human Resources Management Plan
- Equity Plan
- Equal Opportunity Management Plan
- Admission and Quota Policy/Enrolment Plan