



31/08/23

To: The CEO and Deputy Chief Executive – Delivery,
Tertiary Education Commission
44 The Terrace
Wellington Central
Wellington 6011

From: Quintin Jane – OUSA President
Otago University Students Association
640 Cumberland Street
North Dunedin
Dunedin
9016

Tēnā koe Tim Fowler and Gillian Dudgeon,

I am writing to you today on behalf of the Otago University Students Association to express our deep dissatisfaction, disappointment, and anger with the Tertiary Education Commissions decision to reduce the allocation of funds from the University of Otago and others by \$51.8 million dollars, in the midst of the current tertiary education crisis. We urge the tertiary education commission to revoke this decision, and allow the University of Otago and others to retain this funding to support the institutions at this difficult time.

This decision will only put further pressure on these institutions that are already posting deficits and facing serious financial hardship. Further, it pushes these universities to look for more areas of savings that will likely come from increased job losses and cuts to courses for students. Staff and students are already feeling the effects of years of sustained underfunding, the last thing they need is further financial burdens.

I note that the decision claims that the tertiary education would not want to set an unwelcome precedent of allowing TEOs to retain funding when they over-estimate their enrolments. OUSA believes that these are unprecedented times, and that as such, unprecedented decisions such as these should be made to support our tertiary education intuitions. The pending higher education funding review shows that the current funding system for universities has been recognised as inadequate. Surely this creates a case for a breach of precedent?

COVID-19 and the period of economic instability following the worst of the pandemic have created a 'perfect storm' creating instability for universities. A period of high employment and high inflation, as well as burnout from studying through a pandemic have created undue hardship on students and young



people, pushing them away from tertiary study. I note that to my knowledge, the University of Otago has never been in this situation before, showing that without these shocks the university would've been able to accurately predict their enrolments.

The University of Otago and other TEOs should not be further punished for stations well beyond their control. The current fiscal environment and loss of student income has created enough financial hardship on universities as it is. It is disappointing to see that not only has the TEC made this decision, but that they have considered a request from the University of Otago and Victoria University of Wellington not to make this decision given the financial hardship it would put them in, and decided to make it anyway.

To demand universities repay this funding to support the TECs balance sheet at the end of the year is disgraceful and fundamentally ignores the intrinsic value of universities to society in Aotearoa. This decision shows that the TEC views universities as nothing more than a business providing a service where a dollar amount per student can be prescribed.

Universities are not simply service-providing businesses. They provide much more to Aotearoa than could ever be quantified through community building, the development of a sense of belonging, and providing opportunities for young people to make mistakes and grow. By reducing the funding allocation for these institutions you are directly impacting the ability for universities to have this positive impact on society.

We urge the TEC to immediately reconsider this decision and to allow all tertiary education organisations impacted to retain the \$51.8 million dollar funding reduction.

Ngā mihi

Quintin Jane OUSA President, on behalf of the Otago University Students Association.

This letter has been fully endorsed by
VUWSA – The Victoria University of
Wellington Students Association