This is demanded by the “critical mass” type of requirement that even an institution with a relatively small student load must still provide a certain minimum spread of fields of study if it is to remain viable as an autonomous institution of higher education. Similarly, each field of study must itself provide for a minimum spread of courses if it is to offer genuinely advanced study in that field. This tends to result in, amongst other things, lower student/staff ratios in smaller student loads and, therefore, larger recurrent expenditure per unit of student load than in institutions with larger student loads. The Williams Committee recognised this issue and commented on it in the following terms:

There is a critical size determined by the minimum level of necessary staff, class rooms, laboratories, library books and facilities required to provide reasonable conditions for teaching and learning. Where that critical size is not reached in a field of study, or in an institution with several fields of study, the cost per student might be higher than in fields of study or institutions that have reached an economically sized 1.

Range and Relative Sizes of Discipline Groups

Considerations relating to the range and relative sizes of discipline groups introduce other important factors into the determinations of recurrent grants for individual institutions. The range of discipline groups in an institution is not necessarily related to the overall size of an institution (as measured by student load) in that two institutions can have similar student loads while differing significantly with respect to the range of discipline groups in which courses are offered. In such a situation, the institution offering the wider range of studies tends to be the more expensive to fund. The reason for this, referred to above, is that the larger discipline groups tend to provide for a certain minimum spread of courses if it is to offer genuinely advanced study in that field and this requirement tends to demand a greater academic staffing involvement (and, hence, larger recurrent grants) from the institution offering the wider range of studies.

The relative sizes (in terms of student load) of the discipline groups in an institution also influence recurrent grant determinations. This is because there is a clear hierarchy of average expenditures per unit of student load for the various discipline groups such that the most expensive discipline group costs four to five times more than the least expensive discipline group. Thus, if both the total student load and the range of discipline groups are similar for two institutions, one institution can still be significantly more expensive to fund if the distribution of its student load exhibits a stronger bias towards the more expensive fields of study.

Other Factors Influencing Recurrent Grants

There is a considerable number of factors of lesser importance which the relevant Commonwealth recurrent grant determinations have “taken into account”. These factors are, however, in that an institution offering the wider range of disciplines tends to demand a greater academic staffing involvement (and, hence, larger recurrent grants)....
An institution with a greater proportion of student load in the more expensive discipline groups tends to require a larger recurrent grant than an institution with a lesser proportion of students in the more expensive discipline groups.

Principles for Allocating Recurrent Grants Prior to the 1982-84 Triennium

In addition to the many factors discussed into account; the Commonwealth authorities have, prior to the 1982-84 triennium at least, been guided by a number of principles which might be referred to as "principles of conduct". It will later be argued that this conceptus distinction between "facators taken into account" and "principles of conduct" is an important one in terms of understanding changes that occurred in the Commonwealth's approach to recurrent grant allocations for the 1982-84 triennium. Here, however, it is sufficient to note the more salient principles of conduct the Commonwealth's recurrent grant determinations prior to the 1982-84 triennium. These principles have included: representing the needs of institutions to the Commonwealth Government, observing a practice of non-disruption of institutional activities, and recognising institutional autonomy.

Representation of Institutional Needs

While the Commonwealth authorities have acknowledged that "the portion of the community's resources which is available for university education in any given triennium is not unlimited" and that "the state of the economy must affect the level of resources which can be made available for tertiary education, it has nevertheless been the case that these authorities have tended to adopt a "bottom-up" approach in their recommendations. That is, as the following extracts indicate, the approach has tended to be one of assessing the needs of institutions and, within reason, thereby arriving at a recommended total for recurrent grants:

The (Austin Universities) Commission's failure to assess the financial assistance required by universities?

...questions relating to the level of resources are ultimately ones for governments. For its part, the Tertiary Education Commission, while having regard to general economic conditions, ..must exercise its own judgment in assessing needs.

Non-disruption of Institutional Activities

Institutes of recurrent grants determinations that would be made if the Commonwealth adhered to a strict formula of the factors previously discussed, institutions have a very limited degree of freedom within which they can alter their patterns of recurrent expenditure from year to year - that is, unless staff numbers are significantly reduced.

Approximately 80 to 85 per cent of recurrent expenditure in universities and CAEs is attributable to academic and non-academic salaries. Of the non-salaries costs, approximately three-quarters is attributable to items such as water, power, lighting, postage, stationery and so on. It is only the remaining one-quarter is potentially open to adjustment in a declining enrolment situation unless staff numbers are to be affected.

Moreover, given that "the level of non-academic staff (and therefore their cost) is to a large extent determined by the level of academic staff", it follows that the areas which absorb this remaining four per cent or five per cent of expenditure (such as library acquisitions and routine maintenance of buildings, equipment and so on) are virtually the only ones in which costs can be reduced in the absence of a reduction in academic staff numbers.

As a consequence of these constraints on recurrent expenditure patterns, the Universities and Advanced Education Councils of the CTEC have recognised that any major changes in the level of recurrent grants to institutions would cause considerable disruption. Recommendations by the Councils have therefore been based on a principle of non-disruption. The following extracts indicate the Council's views on this issue:

The (Universities) Council recognises that it would not be practical, in the short term at least, to make major changes in its approach to determining recurrent funding levels. "Academic and significant movements in, existing levels of (recurrent) grants for individual institutions, which in part because such movements would cause serious disruptions to academic progress, can be strongly argued that the "principles of conduct" that applied prior to 1982-84 have been changed or depending upon one's historic style, abandoned - at which point a cynical might observe that the result has been unprincipled resources allocation by the Commonwealth. To adopt a more even-handed attitude, however, it is not surprising that the transition of the higher education system from an emergency to a steady-state or mildly counterphorical phase would be accompanied by some significant departures from the funding approaches of earlier years. Nevertheless, the Commonwealth's relative disregard for the "principles of conduct" which guided prior recurrent grants determinations is deserving of special comment.

Recognition of Institutional Autonomy

Prior to the 1982-84 triennium it was clear that the Commonwealth authorities made no attempt to take account of differences between institutions which arose from their individual decisions on the allocation of their resources. For example, an institute would not receive additional compensating funds if it decided to teach a particular discipline in a way which was more expensive than the way in which the discipline was taught in other institutions.

The Commonwealth funding authorities argued that such decisions (e.g. the move to a more expensive way) were reasonable ones for autonomous institutions to make, but that it was not appropriate to provide additional recurrent grants only if the costs involved as this would imply that the funding authority should have some say in whether these decisions were made or not. In the past, it was at least, the Commonwealth funding authorities have not wanted to become involved in the decision making process at all.

It has also been quite clear that while the Commonwealth funding authorities provided funds to institutions on the basis of some notion of cost relativities for particular discipline groups, they have not necessarily expected institutions to allocate resources internally in a way which reflected the Commonwealth's approach or which took account of resource allocation practices in other institutions.

While, there has been steadfast resistance by the CTEC and its predecessors to making public any of the so-called "funding formulas" on the grounds that they might result in pressures within institutions for resources to be distributed between discipline groups in a way which parallels the relevant funding formula. This argument also relates to the CTEC's traditional resistance to "marking" recurrent funds for particular purposes.

This type of approach to funding sits comfortably with notions of institutional autonomy and responsibility. Funds have been provided to institutions on the basis of particular assumptions regarding costs but institutions have, in the past, been relatively free to determine the internal allocation of resources between competing claims.

Funding for the 1982-84 Triennium: A Matter of Principles

While the "factors taken into account" in recurrent grants determinations prior to 1982-84 necessarily reflected the Commonwealth's approach, it can strongly argued that the principle of "principles of conduct" that applied prior to 1982-84 have been changed or depending upon one's historic style, abandoned - at which point a cynical might observe that the result has been unprincipled resources allocation by the Commonwealth. To adopt a more even-handed attitude, however, it is not surprising that the transition of the higher education system from an emergency to a steady-state or mildly counterphorical phase would be accompanied by some significant departures from the funding approaches of earlier years. Nevertheless, the Commonwealth's relative disregard for the "principles of conduct" which guided prior recurrent grants determinations is deserving of special comment.

Representation of Institutional Needs

While presenting the reasoned case for the provision of additional resources for the higher education system, the CTEC, in Volume 1 of its Report for the 1982-84 Triennium, major rationalisation and reallocation of resources in higher education.

In both the Review of Commonwealth Functions (April, 1981), and the Statement on Commonwealth Education Policy and Financial Guidelines (June, 1981), the Commonwealth Government indicated its support for this approach which was seen as involving, inter alia:

- the consolidation into larger units of thirty CAEs;
- the reallocation of effort, and resources, from teacher education to the technologies and business studies;
- the phasing out of Engineering at a number of institutions;
- the assessment of grants for two universities to be based on a greater sharing of resources and collaboration between the two universities.

The Guidelines also indicated that the Government expects the (CTEC) to continue to promote the most efficient use of resources available for tertiary education and requires it to consider the opportunities for greater efficiency and savings by reducing unnecessary duplication of effort among faculties and schools.
Non-disruption of Institutional Activities

In formulating institution-by-institution funding recommendations for the 1982-84 triennium, the CTEC was guided by the level of funds which were specified in the Guidelines. However, while the funding provision was less than had been recommended as necessary to enable a programme of rationalisation and reallocation of resources to take place, the CTEC persisted with its policies of redistributing resources from other educational and social programs to higher education institutions in such a way that by 1984 there would be an appropriate relationship between funding and enrolments in individual institutions.17

The extent to which resources have had to be reallocated to meet this objective will clearly result in substantial “disruption” for a number of institutions, and it seems likely that at least some institutions will have to resort to redundancy provisions in order to balance their budget. By the end of the triennium indeed, this situation was acknowledged by the CTEC which noted that the necessity “for savings to be forced from the consolidated institutions” would, in a number of cases, “result in problems of staff redundancy.”18

In addition to this disruption of institutional activities in practice during the 1982-84 triennium, the Commonwealth Government has also violated the principle of non-disruption qua principle. The Review of Commonwealth Functions designated thirty colleges for amalgamation and stated that if these colleges did not amalgamate, then... the Commonwealth will not be prepared to continue recurrent funding of the colleges concerned after the end of 1981.19

In the event, the majority of institutions concerned did proceed with plans for amalgamation while the smaller ones were wound down. This situation has, therefore, not yet arisen wherein Commonwealth funds have been withdrawn. Nevertheless, there can be no doubt that the threat to cease funding intransient institutions represents a total violation of the principle of non-disruption of institutional activities.

In view of the CTEC’s mandate to “consider the opportunities for greater efficiency and savings by reducing unproductive expenditure among faculties and schools,”20 it takes little imagination, particularly in the light of recent experience overseas, to see that the “Razor Gangs” violation of the “principle of non-disruption” may have sequelae. That is, institutions which are urged to shed particular courses may not be funded for those courses and/or may be threatened with no funding whatsoever if the “offending” courses are continued.

Recognition of Institutional Autonomy

In addition to violating the “principle of non-disruption”, the scenarios outlined in the preceding paragraph would also over-ride the recognition that institutions are free to allocate their funds internally as they see fit. Even if these scenarios prove to be fictions, however, it is clear that such recognition of institutional autonomy has, in any case, been seriously undermined in Volume V of each CTEC’s report for the 1982-84 triennium. For example, in its Advice to the CTEC, the Universities Council stated that:

> It expects that universities for their part will need to adopt a similar approach (to that of the Universities) in rationalizing and reallocation of their internal distribution of funds.21

And the CTEC explained that...

> ... in recommending recurrent funds for institutional universities and CAEs, the CTEC has not sought to overcrowd its specification of recurrent funds for institutions, but, by being selective, has aimed at keeping as high as possible the quality of the system as a whole. By the same token, it expects institutions themselves to be selective in making necessary savings: it expects them to examine the range of their activities and to achieve savings by shedding particular courses or subjects where these have low priority, little student demand, or duplicate similar activities in neighbouring institutions rather than by making reductions across the full range of their activities.22

It is clear, then, that the CTEC’s previous wisdom regarding internal resource allocation has been supplanted by the advice: “Do as we do.”

Conclusion

The process of determining recurrent grants for institutions of higher education is a complex one involving a variety of considerations. In the Australian context a number of factors related to the total student load of the Commonwealth discipline groups has exerted a pervasive influence on funding determinations for particular institutions. All of this importance is evidenced by the fact that within an institution there may be a number of “principles of conduct” which, until recently, guided the Commonwealth authorities in their overall approach to funding. The adoption of these principles, identified in this paper as representing institutional needs, accepting a policy of non-disruption of institutional autonomy, resulted, prior to the 1982-84 triennium at least, as “earning its keep” then it must be seen both to be implementing government policy and participating in the national life. The Commonwealth believes it has a particular responsibility to ensure that universities are able to respond to changes in ways which meet with the approval of the Commonwealth authorities, no doubt, but there must be little room for argument in the management of higher education institutions.

The States have the primary responsibility for the administration and delivery of educational services, particularly at the school level. The Commonwealth believes it has a particular responsibility to lay the foundations for the States to ensure that genuine educational programs are set on a sound basis and, in particular, to ensure that the States have the freedom to respond to changes in ways which meet with the approval of the Commonwealth authorities.

It seems likely that the changes we have identified in the CTEC’s approach to the determination of recurrent grants also reflect this heightened Commonwealth interest in influencing Australian higher education policy.

The developing interest by the Commonwealth in higher education policy poses some problems for the institutions. If the Commonwealth’s policy is perceived as “earning its keep” then it must be seen both to be implementing government policy and participating in the national life. The Commonwealth believes it has a particular responsibility to ensure that universities are able to respond to changes in ways which meet with the approval of the Commonwealth authorities, no doubt, but there must be little room for argument in the management of higher education institutions.

References and Notes

2. The maximum variation in relative costs between different discipline groups within an institution, in order of double the government variation in relative costs between institutions for the same discipline group.
8. Ibid., p. 27.
AN AGREEMENT ON TRAINING UNIVERSITY TEACHERS: THE UK EXPERIENCE

The Origins of Academic Staff Training in the United Kingdom

Universities have for centuries rejected the idea that academic staff require any formal training for their jobs other than that which is subject-matter based, and it has long been the tradition that staff need receive no formal training whatsoever in teaching administration — or indeed in research. Only in the last forty years has this tradition been openly challenged in any real measure. Truscott, for example, argued that the only effective remedy for "appalling" teaching is for lectures to be made better by "subjecting all would-be university lecturers to a specific course of training," and this theme was pursued by a growing number of individuals over the next decade. Despite such concern however, the ranks of academics remained largely unmoved. Radcliffe noted that the idea of training new recruits to university teaching was largely "shrugged off with a quantity of humorous or supercilious comment." Nevertheless, this period marked the beginnings of a recognition in the United Kingdom of the need for professional training of university teachers and a growing questioning of the tenability of the traditional view of university teaching as either a self-taught art or a craft passed on through apprenticeship. New to university teaching being "shrugged off with a quantity of humorous or supercilious comment." Nevertheless, this period marked the beginnings of a recognition in the United Kingdom of the need for professional training of university teachers and a growing questioning of the tenability of the traditional view of university teaching as either a self-taught art or a craft passed on informally from master to apprentice.

This post-war period also marked a beginning interest in the AUT (The Association of University Teachers), in the improvement of university teaching, and twice during this time (in 1945 and 1954) the union approached the Committee of Vice-Chancellors and Principals (CVCP) on the question of training for academic staff.

National Initiatives

The period from 1961-1974 (when the Agreement on Probationary Procedures and Criteria came into being) was remarkable for a number of national initiatives in the university sector which were subsequently to colour the whole area of academic staff training in the U.K. Of all these initiatives perhaps that which has had the most far-reaching consequences for the UK university system was the Report of the Robbins Committee on Higher Education in 1963.

The Committee on Higher Education, under the Chairmanship of Lord Robbins, was appointed in February 1961 by the Prime Minister...