

# How much funding does your faculty deserve?

By BRIAN MARTIN

FOR some years there have been reports of anguished screams from the faculty of arts at Sydney University. The funding allocated to the faculty by the administration is not enough to cover existing operations, and so there have been massive cut-backs. Some departments have lost large numbers of staff, and still the squeeze is on. Are the problems due to bad management in the faculty, bloated funding in the past, or perhaps an inappropriate formula for allocating funds?

Historically, most universities have allocated more money per student to some faculties than others. Per student, faculties of medicine or science get much more than faculties of arts or economics. Experimental scientists say that they need more money: they have to teach students laboratory skills, and this requires expensive equipment, laboratory technicians and so forth. This sounds plausible, but it's hardly the final word.

It would also be possible to argue that sociology graduates should have experience in large-scale social surveys, that history graduates should have extensive experience delving into foreign archives, or that economics graduates should have experience running small businesses. Implementing such components in degrees could add enormously to costs. That such initiatives

have not been taken up may say more about the clout of certain disciplines than the inherent superiority of their claims for cash.

Until the late 1980s, the method for allocating money to universities, as well as within universities, seems to have been based largely on the previous status quo, altered by the bargaining power of interested parties. The Department of Employment, Education and Training, noticing inequities in the funding for different universities, decided to collect some statistics. DEET gathered figures from a number of universities for average expenditures on teaching in different disciplines and came up with some averages. For example, for the universities surveyed, the average funding per undergraduate student in veterinary science was 4.4 times as great as the figure for accounting.

To simplify its range of figures, DEET combined groups of disciplines and assigned them a single figure. Accounting, law, economics and "other humanities" received the least money per undergraduate student and were assigned a baseline figure of 1.0. Education, mathematics, social science and others were grouped at 1.3, and so forth. Separate figures were calculated for postgraduates. With these figures, DEET could work out an overall figure for a university's funding per

weighted student. In this system, one dollar allocated for an economics undergraduate was equivalent to \$2.70 allocated to a dentistry undergraduate.

DEET used this system to compare overall funding between universities. According to the new formula, some universities were receiving much more funding per DEET-weighted student than others, and the government arranged for a once-only reallocation of funding based on these figures. (Funding for research was handled with a different model.)

The rationale behind DEET's procedure was that each university should receive about the same funding to teach a "weighted student." This seems fair on the surface. But lurking beneath the formula are some questionable assumptions.

DEET's system basically enshrined the status quo. Universities were funded according to a formula that essentially said that previous imbalances between faculties dictated the way funding should occur. If, for example, teaching in certain types of faculties was wasteful, then funding should continue according to the same wasteful pattern. The DEET model seems objective, but underneath it is quite arbitrary.

Another problem is that the figures compiled by DEET were rubbery. Not all universities use precisely the same accounting systems. Should capital

expenditure be included in faculty allocations? What about grant monies? What about salary overheads? How can expenditures for teaching and research be neatly separated? Discrepancies abound in the figures, with some universities changing their own accounting procedures from one year to the next.

DEET compiled its figures for the purpose of reallocating monies between universities. It stated that its tables were not intended for use within universities. But quite a few university administrations have latched onto the DEET model as a way of allocating money between faculties. Unfortunately, the model only appears to be fair. Applied internally, it has additional inadequacies aside from those already mentioned.

Some faculties have many staff in higher ranks, increasing costs. Some faculties use many casual teachers, reducing costs. Some faculties are large, enabling economies of scale in teaching. None of this is included in the DEET model.

Some of the groupings in the model may cause special problems when applied inside a university. For example, in DEET's survey the category "other humanities" received a weighting of 1.2. This was set at 1.0 in the model. This single change could easily make a 10 percent difference to the funding of an arts faculty. In the case of

Sydney University, such a difference could mean millions of dollars per year.

For its purposes, the DEET model was an improvement over the previous arbitrary funding of universities. Nevertheless, the model can be criticised for reifying historical funding patterns, generating data using figures from non-standardised accounting systems, and arbitrarily grouping disciplines into funding clusters. Some university administrations then applied this model internally, a use for which it was not intended, in some cases without much sensitivity to local conditions. The problem is not so much the limitations of the DEET model itself as the lack of scrutiny given to the model's assumptions and shortcomings by those who have taken it up.

What is the alternative to the DEET model? One answer is to start from scratch by looking at "best practice" in various disciplines—in terms of outcomes and efficient operation—and seeing what sort of costs are involved. Whatever the alternative, some better justification than the DEET model should be required before administrators can get away with ruthlessly squeezing certain faculties.

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