

## 11.6 RMIT University

In summary the impact of VSU at RMIT University is assessed as severe with impact on the individual campus service organisations assessed as follows:

- severe for the RMIT Union (the services, arts and sports body) with a 90 per cent reduction in staff and a reduction in student fee income from approximately \$5.5 million in 2005 to nil in 2007. The University made a grant to the RMIT Union in 2007 of \$1.3 million; and
- severe for the RMIT Student Union (the student association) with a reduction in staff from 40 to 12 and a reduction in income of approximately \$2.0 million.

## 11. Impact at the In-depth Interview Universities

### Overview of the Campus Service Organisations at RMIT

RMIT was founded in 1887 as the Working Men's College in central Melbourne. It became the Royal Melbourne Institute of Technology in 1960 and RMIT University in 1992. It has merged with the following educational institutions – Emily McPherson College; Phillip Institute of Technology; Melbourne College of Printing and Graphic Art; and the Melbourne Institute of Textiles.

RMIT has three Victorian campuses in central Melbourne, Brunswick and Bundoora as well as two campuses in Vietnam.

RMIT operates as a dual sector tertiary institution. In 2006 it had 42,103 Higher Education and 20,967 Vocational Education and Training (VET) students with an EFTSL in Higher Education of 30,316 and Student Contact Hours VET of 7,456,491; Staff (FTE) of 3,238. Operating Revenue in 2005 was \$540.2 million and net assets of \$964.0 million.<sup>198</sup>

As a consequence of the introduction of VSU the RMIT Union, which provided a wide range of services including commercial, sport and recreation, clubs, arts and culture, was restructured. The RMIT Union is no longer responsible for commercial services, facilities and welfare services.<sup>199</sup>

The RMIT Student Union was also restructured. The Student Union is the representative body of students at RMIT. It aims to advance the educational, welfare, social life and cultural activities of its members. It is a student run organisation.<sup>200</sup>

The restructure of the two unions is in the process of being finalised.

### Overview of Impact on Amenities Fees and Subsequent Support Measures

Total income from the compulsory amenities and services fees in 2005 was approximately \$9.3 million.

Following the introduction of VSU:

- RMIT Student Union received \$1.3 million in 2007; and
- RMIT Union received \$1.3 million in 2007.

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<sup>198</sup> As at 18 February 2008 further background concerning RMIT University could be obtained from the RMIT web site at:

<http://www.rmit.edu.au>

<sup>199</sup> As at 18 February 2008 further background on the RMIT Union could be obtained from the Union's web site at:

<http://union.rmit.edu.au/index.asp>

<sup>200</sup> As at 18 February 2008 further background on the RMIT Student Union could be obtained from the Student Union's web site at:

<http://www.su.rmit.edu.au/index.html>

## 11. Impact at the In-depth Interview Universities

The RMIT Student Union operates under a financial membership model and in the first semester of 2007 only 0.04 per cent (that is, one out of every 2,500) of the students took up membership. The RMIT Union does not operate under a membership model.

**Table 11.6.1**  
**RMIT Union and Student Union Selected Financial Figures 2005 - 2007**

	2005	2006	2007
	\$000s	\$000s	\$000s
Amenities and services fees	9,367	5,992 <sup>A</sup>	0
RMIT University grant	0	0	2,600
<b>Total grants and fees income</b>	<b>9,367</b>	<b>5,992</b>	<b>2,600</b>
Distributed:			
Student Union	3,421	2,080	1,300
RMIT Union	5,451	3,172	1,300
RMIT University	495	740	0
RMIT Union			
Gross Income	11,740	10,680	~1,525 <sup>B</sup>
Operational Surplus	844	(4,530)	n/a
Total Equity	15,520	10,988	n/a

### **Notes to Table 11.6.1**

- A Compulsory amenities and services fees invoiced before 1 July 2007  
 B Inclusive of estimated trading income of between \$200,000 and \$250,000

Note that in each of 2005 and 2006 the balance of the compulsory amenities and services fees that was not distributed to the Student Union and to RMIT Union was distributed to RMIT Teaching Departments and to the RMIT Department of Student Services.

As can be seen from the data in Table 11.6.1 above the income available to the RMIT Union and the Student Union from amenities and services fees and grants has fallen from \$8.872 million in 2005 to \$5.252 million in 2006 to a grant of \$2.6 million in 2007.

### **Detailed Impact on RMIT Union**

RMIT Union operates as a controlled entity of the University. The University has taken over direct responsibility for the following services previously offered through

## 11. Impact at the In-depth Interview Universities

the Union-management of commercial operations (retail), student facilities like lounges and several welfare and support services. The University has also taken over responsibility for administration and corporate services such as human resources, finance and communications.

The composition of the Board of the Union is currently under review. Prior to the introduction of VSU the Union was a controlled entity of the University with an annual turnover of some \$11.74 million in 2005 and approximately 120 staff with management responsibility for approximately 25,000m<sup>2</sup> of gross floor area.

In 2007 the RMIT Union received a grant of \$1.3 million from the University. The organisation believes it will continue to provide the range of services it currently provides but its future grant monies are somewhat uncertain as it is dependant on the University's annual budget cycle.

RMIT Union achieved a substantial reduction in expenses between 2005 and 2007 mostly through a combination of staff redundancies or voluntary departures as shown in Table 11.6.2 below and also by way of closure of services.

**Table 11.6.2**  
**Changes in Staff Levels at RMIT Union from 2005 - 2007**

Year	Full-time	Part-time	Casual	Total
2005	57	33	308	398
2006	32	8	89	129
2007	10	0	10	20
<b>Δ in Staff Count</b>	<b>(47)</b>	<b>(33)</b>	<b>(298)</b>	<b>(378)</b>

Note that gymnasium staff are not included because it is likely that the City and Bundoora gyms will be outsourced.

Services closed or reduced by the RMIT Union following introduction of VSU include:

- social sport programs;
- dental service which is now private;
- reduced legal service which is now offered in conjunction with the Melbourne University Student Union;
- sports grants for individuals;
- tax assistance;
- all commercial catering services;

## 11. Impact at the In-depth Interview Universities

- information centres; and
- reduced funding for inter-university sport;

Overall the range and level of services provided across all campuses has reduced. The smaller campuses have been affected to a greater extent.

### Impact on Arts and Cultural Activities

RMIT Union runs an active arts collective program but the scope of the activities have been reduced because of organisation wide staff reductions and reduced funding.

**Table 11.6.3**  
Changes in Staff Levels at RMIT Arts and Culture over 2005 and 2007

Year	Full-time	Part-time	Casual	Total
2005	9	4	6	19
2007	2	2	3	7
<b>Δ in Staff Count</b>	<b>(7)</b>	<b>(2)</b>	<b>(3)</b>	<b>(12)</b>

As part of the University taking over responsibility for facilities management the following facilities related to arts and cultural activities are now managed by the University:

- theatre and rehearsal rooms;
- dressing room facilities;
- function room;
- exhibition galleries/arts spaces, except for Right Angle and Tivoli Arts Spaces; and
- multi-purpose facilities.

The following services were transferred to the University:

- child care;
- emergency loans;
- accident insurance;
- student leadership program;
- commercial outlets such as the Bundoora Bookshop, and the shop in the city which carried a wide range of products catering diverse student course requirements and general needs;

## 11. Impact at the In-depth Interview Universities

- catering operations and tenancies;
- amusement centre;
- venue bookings; and
- shop closed and Bookshop sold to RMIT bookshop Coop.

Prior to the introduction of VSU the Union provided a free club space, meeting rooms and theatre space. This is now under review.

The management of the sporting facilities at Bundoora is currently out to tender by a private operator.

### Detailed Impact on the RMIT Student Union

In 2005 the Student Union received approximately \$3.4 million from the University while in 2007 it received \$1.3 million.

The Student Union is separate from the Union and employs its own staff. Its service focus is on student rights and clubs and societies.

As a result of VSU staffing has been reduced from 40 to 12 and the autonomous campus councils have been merged into one body.

The following services have been either reduced, are no longer offered or have been transferred to the University:

- bindery/printing services;
- community programs;
- emergency student loans;
- equipment hire;
- help desks;
- immigration / DIMA advice;
- meeting rooms;
- orientation week activities;
- resource centre;
- postgraduate association; and
- international student association.

The future of the Student Union is under pressure because of the reduced funding and the lack of long term certainty. It is facing a budget shortfall of \$300,000 in the 2007 year. The organisation is concerned about the negative impact on student involvement in student issues and its capacity to promote student views to the University.

## **11. Impact at the In-depth Interview Universities**

It is apparent that the impact of VSU on the Student Union has been severe in terms of reduced capacity represent students and provide services.