Dr Michael Spence  
Vice-Chancellor and Principal

Wednesday 23 November 2011

Dear alumni

Our teaching and research are nationally and internationally recognised, and many new and exciting projects are building momentum. But to progress further, we must invest in our buildings and ICT systems: their current state is of real concern. We have a backlog of repairs and maintenance that will cost hundreds of millions to put right, and there is an urgent need for new facilities to better support our students and staff in their work. All of this will come as no surprise – alumni raise these issues with me often.

Like many universities, we have been presented with a pressing financial challenge for 2012. Our income from both local and international student fees has been impacted by external factors such as the GFC and its associated economic instability, while uncertainty about government policy changes has affected the number of international students coming to Australia.

This all means that if we are to meet our financial targets in 2012 and have savings to invest in repairs, maintenance and upgrading of facilities, we need to take some prudent measures. Every area of the University is being asked to make savings, and we will have to accelerate some of the organisational changes we have been planning.

We also need to consider the position of that small minority of academics who do not contribute significantly either to our research or our teaching. We will approach this through a University-wide, open and transparent process, based on a set of rigorous but very clear criteria, and we will be consulting with staff about that process. We have also put in place mechanisms to ensure that this will not impact on the experience of students in the classroom: we are taking these steps precisely because we want to provide students with a reinvigorated, more innovative learning environment and to give them buildings and facilities of which we can all be proud.

You may wonder why such stringency is necessary when we talk about our record year for philanthropy, and when the papers report that the University recorded a surplus of $113.7 million last year. It is, of course, much more complex than the figures would suggest. Most of the surplus, including the money so generously donated by our many benefactors, is tied to specific projects – government research grants must be spent on that research, and donors generally give money to support a specific activity. These funds are simply not available to repair roofs or fit out teaching space.

This is difficult news, and I can’t pretend that it will be an easy 12 months for our staff in particular. But it is essential. The University is at an important crossroads: if we don’t invest in infrastructure now, we will not be able to meet our goals.

We value your understanding and support at this time of great change for us. Our alumni are an integral part of the University, and as our finest ambassadors you are well placed to ensure that the wider community knows that we are doing our best to secure our future, and to be true to our tradition of excellence.
Please feel free to contact the Alumni and Events Office at alumni.office@sydney.edu.au for further details or to send me any messages about these changes, thank you.

Yours sincerely

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Vice-Chancellor and Principal