



# Media Statement

27 May 2020

## Deakin deserves support

COVID-19 is wreaking havoc on a tragically grand scale, yet paradoxically it has caused many of us to focus on positives we may have taken for granted.

We have gained a new appreciation of the people in our lives, the freedoms within our community and the institutions that we have taken for granted.

Geelong-headquartered Deakin University, integral to the economic and community fabric of the G21 region, is one institution we must never take for granted.

We could so easily overlook the many benefits Deakin University brings to our region. Indeed, regions around the nation are envious, wishing they had a highly-ranked international university supporting their regional community.

It is worth reminding ourselves of the crucial role Deakin University plays.

Deakin University has, for example, been a major force behind the G21 region's recovery from the gloom of economic downturn.

The closure of several large Geelong manufacturers, including Ford and Alcoa during the past decade hit the region hard, leading to a depressed economy and higher than average unemployment.

### **Vision and innovation**

The university's vision, innovation and entrepreneurial attitude helped drive the development of exciting opportunities for the region, creating new advanced high-tech industries, researched-based start-ups and ingenious collaborations with existing businesses.

The **Australian Future Fibres Research and Innovation Centre (AFFRIC)** at Deakin University in partnership with the CSIRO, opening the door to a multitude new world-leading opportunities, for example.

Among the results are **Carbon Nexus** (research and production plant for aerospace-grade composite carbon fibre), **Carbon Revolution** (commercial production of carbon fibre wheels for high-performance cars internationally), **Quickstep** carbon fibre manufacture, and USA-based **LeMond**

**group** deciding to establish a Geelong plant to manufacture carbon fibre for high-performance bicycles and other uses.

The **ManuFutures** technology centre at Deakin Waurn Ponds, which embraces hi-tech manufacturing includes production space, laboratories and associated support facilities for up to 15 enterprises.

**Deakin's Institute for Intelligent Systems Research and Innovation (IISRI)** is undertaking a variety of research projects with the private sector, including developing products for the military, like smart targets for tank-fire training.

The formation of the **Geelong Centre for Emerging Infectious Diseases** [a collaboration between Deakin University, Barwon Health, the Centre for Disease Preparedness (formerly CSIRO-AAHL) to research zoonotic diseases] is an important nexus for human and animal research in the region and at the forefront of COVID-19 vaccine research.

### **University community**

The creative, social and business benefits of having two vibrant university campuses in our region must never be underestimated. They bring thousands of international students and academics to inject a special vitality into our community and our economy.

The university and its people are intimately involved in all aspects of our regional community, providing expertise that contributes on so many levels to the development and functioning our region.

### **Post-COVID recovery**

Just as Deakin University was at the forefront of the region's economic recovery this past decade, the university will be essential to the region's post-COVID-19 recovery.

Yet, like other universities across the nation, Deakin University has itself been economically and academically hit by the COVID-19.

Deakin University Vice-chancellor Professor Iain Martin says the university's income this year will be between \$80-\$110 million less than 2019, and by the end of 2021 this reduction will grow to \$250-\$300 million – a fall of 18-22 per cent.

Before COVID-19 hit, 2020 was shaping up to be another good year for the university, following on from last year which was one of the university's most successful.

It is likely to take at least three-to-five years for Deakin University's revenue to return to 2019 levels, meaning the university, like others across Australia, has been forced to make staffing and budget cuts.

Universities were excluded from the federal government's COVID-19 Job Keeper program, despite having massive reductions in income due the significantly lower international enrolments because of coronavirus

Universities, including Deakin University, rely on international students for a significant part of their revenue.

International education generated \$12.6 billion revenue for Victoria last financial year, supporting around 79,000 jobs, with many of the students coming from China, India, Nepal, Malaysia and Vietnam.

### **Greater government assistance needed**

While the federal government provided a type of 'rescue package' to universities, it will make little difference to Deakin University. The package gives some certainty to the university's future domestic funding but will not alleviate Deakin's challenges this year or next.

Given that revenue from international students is one of the most important means of the Australian economy earning overseas income, it is disappointing that more substantial federal government assistance was not made available.

Recent news of an up to \$60 billion underspend in the anticipated JobKeeper payments allocation makes it hard to understand how that scheme would not now be extended to include the economically important higher education sector.

The state government has recently announced a \$350 million emergency package to support universities with capital works, research projects and jobs.

Professor Martin says Deakin University will work with the state government to explore support opportunities for Deakin's crucial projects which will also benefit the community.

"As we enter the recovery phase of COVID-19, the social, cultural and economic well-being of our communities has never been more important," Prof Martin said.

"Investing in infrastructure and research not only helps universities, but has wider benefits in terms of supporting economic growth through the development of new industries and areas of employment."

The state government's support is helpful, however G21 believes universities also need stronger federal support.

Universities such as Deakin should be better supported federally with access loans or grants, increased funding caps for domestic students, better access to JobKeeper payments for university staff and much-improved support for the international student sector.

### **International Students stranded**

Sadly COVID-19 has not only stopped many international students from coming to Australia, it has trapped others within Australia with little or no means of earning income and with limited access to federal government assistance.

In an attempt to ensure Victoria's international students could buy the basics needed to survive, the Victorian Government established a \$45 million *International Student Emergency Relief Fund*. Eligible students would receive \$1100 if they meet certain criteria.

However, not only is the amount well under what a student would require for accommodation and food, at the time of writing, funds had not started to flow. Students stranded in a foreign country are being left to survive with little, if any, help from their host nation.

This is a humanitarian failure with potential long-term ramifications to international education in this country.

In the absence of meaningful federal support, Deakin University had itself moved to introduce the most substantial support package in the nation for international students, along with increased assistance for domestic students.

Deakin has about 64,000 students - including about 16,600 international students. Many of them within our region.

The university has received thousands of applications for hardship support from international students since the COVID-19 outbreak began.

Deakin's support package, from its own resources, of up to \$25 million targeted international students experiencing hardship as a result of the coronavirus pandemic.

Prof Martin said the university considered it a moral duty to help the students, which he said was becoming a humanitarian predicament.

The university understands the potential reputational damage to itself, and to Australia's university sector long-term from failing the international student community at this difficult time.

G21 urges the federal government to reconsider its support for Deakin University and the international education sector.

### **Deakin University Adjustments**

Deakin University has been forced to make a range of changes to reduce expenditure, such as stopping new project investments, minimising new opportunities and cutting non-essential spending. Substantial reductions will be necessary to capital investments.

The university has been examining its staffing profile, as employment costs are more than half of its total expenditure.

It has indicated that any decisions will be shaped to ensure a focus on the core activities of education, research and innovation.

### **Standing by Deakin**

Surviving the COVID-19 reality has been challenging for us all. However, transitioning back to a new type of normal will potentially be even more challenging.

We have seen the devastating impact of the pandemic on families, businesses, the most vulnerable in our community and key institutions.

Yet, our region's underlying community fabric is strong. Our business community is resilient. Our people are resourceful and innovative.

Significantly, we have a university, although hit by the economic impact of COVID-19, which remains ready to support the regional community to rebuild.

Never has there been a more crucial time to acknowledge the enormous past contribution Deakin university has made to our region.

Ongoing community support and much improved government support will be crucial for Deakin University to play the integral role we need of it in rebuilding our region post-COVID-19.

We must all work together.

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