

## **Rebekah Brown ABC Radio Interview Transcript**

Interview occurred at 7.39am on October 18, 2024.

### **Speakers**

Adam Shirley, Provost and Senior Vice-President Rebekah Brown

Adam: Well, you might have heard a week or two ago, through this program or through many other outlets that the ANU is in significant financial trouble. The Vice-Chancellor herself, Professor Genevieve Bell, said so on this station, on this program, and that many millions of dollars need to be saved. The problem, as is often the case, is how to go about saving it. And it seems that beyond tens of jobs, hundreds of jobs are in the gun for staff at the ANU. ANU Provost Professor Rebekah Brown is a key part of the executive team at the ANU and is here to answer to some of those concerns from staff and students. ANU Provost Professor Rebekah Brown, we really appreciate your time. Thank you very much for being with us.

Rebekah: Good morning, Adam.

Adam: Give students, staff, families in the ACT an idea. How many jobs are we actually talking about here?

Rebekah: Yeah, thanks, Adam. I'd just like to start by acknowledging that this is a really extremely challenging period for our people, for our community at ANU. Our Council has made the decision that we need to reduce our recurring operating cost base by \$250 million by January 2026, and as you would have, as you know when speaking with our Vice-Chancellor a couple of weeks ago, the last three years we've produced a consistent operating deficit, and we can't keep spending more money than we earn. So, we now have a 15-month journey to get us to financial sustainability. And of that \$250 million, importantly, for our savings target, \$150 million will come from non-salary expenditure. So, it's anything not related to people's employment, like maintenance of our buildings, travel, our use of software, etc. But \$100 million will be coming from our salaries.

Adam: I get the challenges, and the Vice-Chancellor has spelled those out clearly previously, but I guess my question is about the consequence and the impact. What are we looking at in terms of job losses and people who will no longer have employment once this process is concluded?

Rebekah: So, there's no doubt that there will be job losses, but we don't have an absolute number, Adam.

Adam: An approximate number?

Rebekah: We don't have an approximate number because there's a number of variables, and if you don't mind, I'd like to have the opportunity to explain that to your listeners. At the moment, we've set the salary target of \$100 million rather than absolute headcount, and we've done that for a very important reason. At ANU, we have an incredibly significant leave liability; so this is excess annual leave and excess long service leave held by our community. It currently sits at \$163 million. It's completely different and off-scale compared to our Group of Eight

peers. We've asked our community in all sorts of ways, we're encouraging our community to take their leave. This really helps the bottom line.

Adam: And to take their- and to take their 2.5 per cent pay rise off, am I right? How many have responded to that, and have they said yes?

Rebekah: So, we are consulting with our community at the moment. We are asking our community to consider forgoing the two and a half per cent pay rise in December. So as part of our Enterprise Agreement, we have agreed to increase salaries over the next three years by 18 and a half percent. We are asking our community to vote in December to forgo the two and a half per cent, which means we would bring the total pay rise over the next three years down to 16 per cent. And just to give you a benchmark Adam, our APS employees in Canberra, they will get over the same period about 11.2% pay rise over a similar period. We know this is a significant ask for our community, but it would actually reduce total salary costs by \$15 million.

Adam: So, that's that portion of what needs to be saved. How else do you do it?

Rebekah: We do have- we're consulting with the community at the moment. We had an all staff address a couple of weeks ago, the largest attended in our history. We had 3,200 staff attend. We've had town halls in every College over the last two weeks, and in our central portfolios. We're looking at realignment. We're looking at all of our ways that we spend money on non-salary expenses. But there will unfortunately need to be reductions in overall staff numbers at ANU, but we are using every possible lever; reducing our leave liability, we're also asking all our staff that are on individual performance-based contracts – they tend to be our more highly paid staff – we're asking them to volunteer forgoing a two and a half per cent pay rise as well. And I think that once we- And this year, we've introduced a number of hiring controls, which means we have hired less people this year that will also contribute to our target of reducing our overall salary spend.

Adam: So, you're hearing from Rebekah Brown, ANU Provost at the Australian National University, about the financial position the ANU is in, the job cuts that will inevitably come and other measures that will have to be taken to reign in the hundreds of millions of dollars that is owed. Adam Shirley with you on ABC Radio Canberra. You mentioned ANU Provost Rebekah Brown that you're in a more difficult situation to any other Group of Eight university. And I guess one texter puts a finger on that saying, "Who is responsible for the mismanagement that allowed this to blow out to such a horrendous amount?" "How did the ANU get into this position?" Asked another texter. How legitimate are those questions from listeners?

Rebekah: I can understand why they are questions that are front of mind for people. I don't think it's really helpful to be looking at pointing fingers at anyone at this stage. I think that we have a very real and material problem in front of us that is affecting, deeply affecting, our community. We really need to be focused on solutions. And as you may know Adam when we last spoke, I have been the Provost and Senior Vice-President here since June, and it is a new management and executive

leadership team – our Vice-Chancellor started in January. And what I do know about the previous leadership regime is that during the pandemic and the consequences of the pandemic the leadership team really prioritised staff wellbeing and staff job security. And it was in a very uncertain environment. We're now out of that deep uncertainty and we find ourselves where we are today. And unfortunately, some very difficult decisions are needing to be made.

Adam: This texter, I don't know what kind of calculation that are using, but they say, "The best number for a \$100 million saving is 638 full-time equivalent jobs. Leave accumulation is a side issue. In 2020 ANU staff agreed to cut pay and were rewarded with more job cuts." Is it true that we are possibly looking, I know you don't want to put a finger on it, but is it possible that we are looking at hundreds of jobs to go at the ANU?

Rebekah: I can actually say Adam we do not have a precise number.

Adam: But is it possible that 500-600 is possible?

Rebekah: Well once we look at what we have achieved this year, and the leave liability with all due respect to your texter, it is actually \$163 million here at the ANU. It is really significant. There is absolutely no doubt that we will be a smaller organization by the end of next year. Our priority is to save every job, and it would be absolutely remiss of me and not doing a service to our community while we're in a very transparent, open and fair consultation process to really put a number out there. That is not respectful, and we don't have an answer to that question at this point in time.

Adam: Okay, looking at this consultation process, what influence will staff have in it? What kind of things can they influence to the ultimate decisions that get made?

Rebekah: Thanks Adam. To start off with, we're actually really proud of our consultation process. So, at the moment, we have a number of plans out for consultation with our community. Our consultation actually closes today on plans that are about the complete sort of academic realignment of the University. We're in consultation for two other plans, which is to do with some central portfolios. What we do from that is we have had open town halls where we've addressed live questions from our community, and we have a live website that's updated daily where we have answers to community's questions. Now we're about to go into a process of analysing all the feedback, all the solutions. We've had, some great suggestions from across our community, and then what we do is we put it into an implementation plan that then goes out again for consultation with our community. And of course, as you, as you talked about earlier, we're actually going to the community in December and asking the question – it's not mandated – if the community majority votes to forego the two and a half per cent pay rise, which brings down salary costs by \$15 million we will do that, and that will save jobs.

Adam: How long until ultimately, you'll have a proposal to put to staff? It might even be, I don't know whether you think I'm being fair in saying this a foregone conclusion, but a, I suppose, a concrete proposal as to what will happen to save this money.

Rebekah: Well, I think that we are, we're iterating, and we've been really upfront with our community. This is the size of the challenge. This is what we are looking to reduce the organization by. We are looking at every possible lever and efficiency measure that we possibly can, and we have had significant consultation with communities, looking at all sorts of solutions and recommendations for doing so. I think we're on a 15-month journey. We will be, we will know where we are at with our salary objective at the end of the year, particularly once we've completed and worked through the staff vote.

Adam: So, on that point, when will some staff know they're no longer employed?

Rebekah: Some staff will know sometime, we expect, mid to late November, once we're through this first phase of consultation. And we will be meeting like we have already with individual staff in every area.

Adam: As well as the Vice-Chancellor, who's identified she will, will Executives, Council and other seniors take pay cuts?

Rebekah: Yeah. On this point, I'd like to say a couple of things about our Vice-Chancellor. As you know, she is the first female Vice-Chancellor ANU has ever had. She's also the lowest paid in the Group of Eight Vice-Chancellors, and she has made the decision to reduce her own salary. Council didn't ask her to do it. No one's asking her to do it.

Adam: I know that I'm wondering about other executives and council members now.

Rebekah: So, what the Vice-Chancellor has asked, while she's reduced her own salary by 10 per cent, she has asked all executives that are on performance-based contracts to forgo a two and a half per cent pay rise that would just flow through, through their contracts.

Adam: Will they do it?

Rebekah: I very much hope so. She's asked people to notify us by- She's given everyone till the 30th of November, and this will be cumulative Adam. It can't be mandated. We cannot force it. It's not our right to demand it. All we can do is request it, and we're very much hoping that 100 per cent of our staff, but we realize people are in all sorts of different situations in their life, we're hoping the majority of our executives that are on performance-based contracts will consent to foregoing a two and a half per cent pay rise.

Adam: We really appreciate your time. Rebekah Brown, Provost at the ANU, because we know it's a busy and challenging time. Thank you for it today.

Rebekah: Thank you for the opportunity to talk to you, Adam.

Adam: Professor Rebekah Brown is ANU Provost, about the consultation process that ultimately will lead to some staff losing their jobs to try and save, as she explained, \$100 million. It is seven and a half minutes to eight.