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## Massey University working to reduce big deficit

George Heagney • 14:15, Sep 21 2023



DAVID UNWIN/STUFF

The Students Against Cuts group protesting on Massey University's Palmerston North campus last week.

Massey University's financial position for the year has worsened with a year-to-date loss of **\$33 million.**

The university has been dealing with financial struggles in recent months and introducing **5th** cuts to cut costs.

At Massey's July council meeting it had declared a \$14.2m deficit, but now at Thursday's university council meeting, it announced a year-to-date operating deficit of \$33m.

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Massey's deputy vice-chancellor of university services, Shelley Turner, said the senior leadership team and the university were "working on all levels to reduce that and be in a better position at year's end".

There was no other discussion about this matter during the public part of the meeting, which later moved to the public-excluded part of the meeting.

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According to the meeting agenda, the university's year-to-date operating deficit of \$33m was \$28m worse than the budgeted \$5m, mainly due to lower-than-expected student fees, higher staff-related expenses and higher other expenditure.

This was partially offset by higher research income and consultancy, conference, trading and other income.

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The year-to-date income was \$9.4m below budget, due to lower government grants and student fees, partially offset by higher consultancy, conference, trading and other income, and higher research income.

The total income for the year was \$296.3m, but it had budgeted for \$305.7m.

The year-to-date expenses of \$329.4m were \$18.6m above the budgeted \$310.7m, mainly due to delayed progress in achieving savings targets in staff related expenses and other expenditure.

The university had budgeted for staff related expenses of \$173m, but instead had \$184.7m. Other expenditure had been budgeted at \$86.8m, but it was \$93.1m.

In June the Government announced \$128 million of funding for tertiary education, a one-off boost for the next two years, to support the tertiary sector.

This was a 4% increase in funding for degree-and-above delivery per year in 2024 and 2025, on top of a 5% increase per year from 2024 which was announced in this year's Budget.

A university spokesperson told *Stuff* in June the funding was welcomed, but the funding was unlikely to resolve the longer-term financial challenges faced by the sector.

Some of the cost-cutting measures employed by the university included calling for voluntary redundancies and asking staff [to catch and dispose of rats and mice in its buildings](#).

## Not here for the hate

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