26 February 2018

The Honourable Grace Grace MP Minister for Education and Minister for Industrial Relations PO Box 15033, City East Qld 4002

I am pleased to submit for presentation to the Parliament the Annual Report 2017 and financial statements for The University of Queensland. I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2009
- the detailed requirements set out in the Annual report requirements for Queensland Government agencies, May 2017.

A checklist outlining the annual reporting requirements can be found at uq.edu.au/about/annual-reports.

Yours sincerely

Peter N Varghese, AO Chancellor

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Front cover image: The newly refurbished TC Beirne School of Law at UQ St Lucia for which the project team won an Australian Institute of Architects' National Award for its transformation that reflects the traditions of the legal profession as well as its three pillars of knowledge, learning and inquiry.



With our bold ambition to 'create change', UQ continues to contribute to Queensland's objectives for the community by providing world-class education, research and engagement opportunities that help improve the State's economy, environment and general wellbeing.

The year at a glance

While 2017 has brought many challenges-digital disruption, global competition, and funding uncertainty-the UQ community can look back on the year with pride. Our student numbers increased, our research output proliferated, our teachers continued to be the most awarded in Australia, and our liaison with the general community brought rewards on both sides. UQ also reached a significant milestone in 2017 that is worthy of celebration—we now have more than 250,000¹ graduates contributing to society in almost every field of endeavour.

Still, we cannot be complacent.

We must continue with our commitment to excellence in learning, discovery and engagement, which has seen the University serve Queensland as an anchor institution, currently ranking among the world's top 50 universities and having delivered benefits throughout society for more than a century.

Our strategy

Our main focus is on our current and future students, who will need new competencies to stand out from the crowd. Although it was encouraging for UQ to receive a top-50 global ranking for employability² (among more than 10,000 universities), constant innovation and improvement are vital, so that UQ continues to produce game-changing graduates who are valued highly by employers and wider society. To this end, the institution-wide commitment to successfully implementing the Student Strategy continued throughout 2017, with a fitting emphasis on employability, entrepreneurship, and flexible, active learning. For example, a number of undergraduate and postgraduate programs were introduced in 2017 that proved popular with high achievers, and so further new programs have been offered to begin in 2018.

The 250,000th UQ graduate was conferred in December 2017
 QS Graduate Employability Rankings 2018
 Higher Education Research Data Collection, 2016

- (most current official data available)
- 4 Universities and grammar schools: 2016 results of financial audits (p4)
 5 Mid-year Fiscal and Economic Outlook, December 2017

VICE-CHANCELLOR AND PRESIDENT'S REVIEW

This resolve is also a key focus of the UQ Strategic Plan for 2018–2021, which the University Senate endorsed in December 2017. The product of many months' deliberation and consultation by numerous staff and partners, this principles-based document is designed by and for an institution determined to anticipate change and adapt to whatever challenges such change presents.

The plan underscores the need to accelerate delivery of globally relevant solutions to complex problems-something that will require even more collaboration than currently exists.

Our diversity and inclusion

Along with the emphasis on producing game-changing graduates, the Strategic Plan highlights the imperative to continue promoting diversity and inclusiveness within our community. Existing efforts in this area are apparent in various undertakings in this report, including work towards a university-wide Reconciliation Action Plan and participation in the Science in Australia Gender Equity (SAGE) Pilot of Athena SWAN. It is very pleasing that 43 per cent of academics promoted to be full professors at the end of 2017 were women, which, while still below parity, is a record proportion.

Importantly the University has also been working with students and other partners to implement the Australian Human Rights Commission's recommendations following the *Respect. Now. Always.* survey about sexual harassment and assault among university students.

2017 will be remembered as graduation year for 29 young adults from low-income backgrounds, who have advanced through the UQ Young Achievers Program. They bring to 71 the total number of graduates in this philanthropy-enabled program, which will yield hundreds more graduates in future.

Additionally, it has been uplifting to note the continuing progress of Aboriginal and Torres Strait Islander students. In this area. UQ markedly improved its comparative performance for completions (rising to seventh of 40 universities across the country, compared to 21st in 2013).

Nevertheless, much more can be done to support the aspirations and success of young people who otherwise might not attend a global top-50 university.

Our impact Like our teachers, our researchers create opportunities for students and for the broader community. The calibre of their research and the impact of innovations arising from their work, are visible through various measures, including total research funding (second highest of all Australian universities);³ citation rates (UQ has 15 highly cited researchers, second nationally); fellowships of learned academies (11 UQ staff were newly elected to Australian learned academies this year, and one to the Royal Society).

Taking just two of many research impact examples: decreases of up to 90 per cent in the prevalence of human papillomavirus (HPV) have taken place in areas with high coverage of HPV vaccination, thanks to UQ research; and the majority of the world's clinical magnetic resonance imaging systems use UQ technology. As further signalled in this report, highly prospective innovations are moving along the pipeline, securing tens of millions in investment dollars.

Such progress from the lab or field to the end-user is made possible by partnerships with individuals and organisations in business industry, government, and the not-for-profit sector. Philanthropists are also crucial, and it is very encouraging that growing numbers of staff and alumni are becoming donors.

In October, after years of behind-the-scenes work and consultation with key donors and friends, the University launched the public phase of Not If. When – the Campaign to Create Change. Unprecedented in scale for a Queensland university, it has a target of \$500 million by the end of 2020.

Strong progress has also been made in other areas which like a fund-raising campaign, require ambition and strategy. The University's carbon footprint continues to shrink, being 16 per cent smaller in 2016–17 than in 2013–14. In future annual reports I hope to provide further updates on sustainability measures.

And our teachers continue to shine, with many national awards bestowed during the year, including six Australian Awards for University Teaching.

UQ is extremely proud to contribute to the vision of the International Education Strategy to Advance Queensland 2016-2026, and to the \$29 billion national education export industry. As well as enhancing Queensland society, culture, and

international reputation, our international students from more than 130 nations directly contributed \$471.3 million in tuition fees in 2017, in addition to substantial spending on accommodation retail entertainment and tourism.

Our future

Despite our success in attracting international students-whose new perspectives and ideas are a valuable part of our culturally diverse university environment—we know that challenges lie ahead. Volatile exchange rates and increased competition in the Asian education market are just two factors we are managing.4

Our planning is carefully considering the balance of international and domestic students, and the mix of source countries within the international cohort. However, it should be noted that the federal government cuts to university funding unveiled in December may reduce our flexibility to adjust the mix.5

We look forward to implementing the recommendations of the St Lucia Campus Master Plan, a document endorsed by Senate that incorporated extensive feedback from the local community.

As this annual report shows, UQ is a creative force for beneficial change in Queensland, Australia, and globally. It is powered by fine professional and academic staff, some of whom regrettably have been impacted by structural changes that were necessary to improve the alignment and efficiency of our services.

Our support

I thank all UQ staff members for their hard work and contributions to our successes in 2017. The University is also energised by honorary, adjunct and conjoint appointments, and many partners, donors and other supporters, to whom I extend my thanks as well.

Finally, I wish to acknowledge UQ's Senate, led by Peter Varghese, AO. This year marks the end of an era for eight Senators, as the 33rd Senate ends and the 34th Senate prepares for its first meeting in 2018. I look forward to working with the new Senate team, with University staff, and with all who will help realise the timeless vision of knowledge leadership for a better world.

Professor Peter Høj

Vice-Chancellor and President