

UNIVERSITY OF OTAGO
ANNUAL REPORT 2007



2007

UNIVERSITY OF OTAGO ANNUAL REPORT





UNIVERSITY OF OTAGO CONTACTS

UNIVERSITY OF OTAGO

Leith Street, Dunedin

New Zealand

Mail PO Box 56, Dunedin 9054, New Zealand

Tel 64 3 479 1100

Fax 64 3 479 8692

Email registrar@otago.ac.nz

Web www.otago.ac.nz

CHRISTCHURCH

University of Otago, Christchurch

2 Riccarton Avenue

Christchurch, New Zealand

Mail PO Box 4345, Christchurch 8140, New Zealand

Tel 64 3 364 0530

Fax 64 3 364 0525

Email esm-enquiries@otago.ac.nz

WELLINGTON

University of Otago, Wellington

Mein Street, Newtown

Wellington South, New Zealand

Mail PO Box 7343, Wellington South 6242, New Zealand

Tel 64 4 385 5541

Fax 64 4 389 5725

Email deandpt.wsmhs@otago.ac.nz

University of Otago Stadium Centre

Westpac Stadium, Waterloo Quay, Wellington

Mail PO Box 400, Wellington 6140, New Zealand

Tel 64 4 460 9800

Fax 64 4 460 9801

Email stadium@otago.ac.nz

AUCKLAND

University of Otago Auckland Centre

University of Otago House

Levels 3 & 4, 385 Queen Street

Auckland, New Zealand

Mail PO Box 5543, Wellesley Street, Auckland 1141, New Zealand

Tel 64 9 373 9700

Fax 64 9 373 9701

Email auckland-centre@otago.ac.nz

INVERCARGILL

College of Education, Southland Campus

100 Nelson Street, Invercargill

New Zealand

Mail PO Box 886, Invercargill 9840, New Zealand

Tel 64 3 211 6724

Fax 64 3 216 1399

Email course.info@otago.ac.nz

VISION

A research-led University with an international reputation for excellence.



KO TE ARONGA

He Whare Wānanga e Aronui ana ki te Rangahau, e Rongonui ana i ngā Tōpito o te Ao i te Ao i tōna Ikeiketanga.

MISSION

The University of Otago will advance, preserve and promote knowledge, critical thinking and intellectual independence to enhance the understanding, development and well-being of individuals and society. It will achieve this by building on foundations of broad research and teaching capabilities, unique campus learning environments, its nationwide presence and mana, and international links.



KO TE UARATANGA

Ko tā Te Whare Wānanga o Otāgo he whanake, he pupuri, he whakatairanga hoki i te mātauranga, i te ihomatua tātari kaupapa, i te whakaaroaro motuhake o te tangata, e nui ake ai te mōhio, te marama, te hiatotanga, otirā, te oranga o te tangata, o te iwi hoki. E tutuki ai tēnei mā te rangahau me te tika mārika o te whakaako, mā te whai wānanga ahurei, mā te whakaū i tōna mana, me ōna toronga puta noa i te motu, i te ao.


CONTENTS

	PAGE
Vision and Mission	3
Locations	5
Council of the University	6
Executive Group	7
University Governance	8
Organisation Chart	9
Chancellor's Introduction	10
Vice-Chancellor's Review	12
Achieving Research Excellence	12
Achieving Excellence in Research-informed Teaching	13
Ensuring Outstanding Campus Environments and Student Experience	14
Contributing to the National Good and to International Progress	15
Strengthening External Engagement	16
Building and Sustaining Capability	16
Key Events	18
Research and Postgraduate Teaching	20
Research Achievements	22
Advancement	23
Commercialisation	24
Postgraduate Teaching	24
Cost of Outputs	25
Teaching and Learning	26
Academic Developments	26
Enrolment	27
Internationalisation	29
Developing Teaching and Learning	29
Cost of Outputs	31
Community Service	32
Library Services	34
The Arts	34
New Zealand Marine Studies Centre	34
Alumni	35
Cost of Outputs	35
Statement of Service Performance	36
Statement of Resources	50
Human Resources	50
Library Resources	50
Information Technology	50
Land, Buildings and Capital Development	51
Equal Opportunities	52
Financial Review	56
Statement of Responsibility	57
Statement of Accounting Policies	58
Statement of Financial Performance	66
Statement of Movements in Equity	67
Balance Sheet	68
Statement of Cash Flows	69
Reconciliation of the Net Surplus from Operations	70
Statement of Commitments and Contingencies	71
Notes to the Financial Statements	72
Report of the Auditor-General	103
Summary Facts and Figures	105
Graphs	116



AUCKLAND

University of Otago House
Course Information and Recruitment
Distance Education
Teaching & Conference Multimedia Facilities

WELLINGTON

University of Otago, Wellington
Research and Clinical Training
Bachelor of Health Sciences (Radiation Therapy)
Postgraduate Courses
Distance Education
University of Otago Stadium Centre
Course Information and Recruitment
Teaching & Conference Multimedia Facilities
Distance Education

CHRISTCHURCH

University of Otago, Christchurch
Research and Clinical Training
Postgraduate Courses
Distance Education

DUNEDIN

University of Otago Main Campus
Divisions of
~ Health Sciences
~ Humanities
~ Commerce (School of Business)
~ Sciences
Administration

INVERCARGILL

College of Education, Southland Campus



NEW ZEALAND



COUNCIL OF THE UNIVERSITY



MR L J BROWN



MR J F WARD



PROFESSOR D C G SKEGG



MS J A FLOOD
(SECRETARY TO THE COUNCIL
AND REGISTRAR)



MR E W ELLISON



DR J D PALMER



MS K M SMITH



DR M J DUXSON



PROFESSOR S J TODD



PROFESSOR A M WHEATLEY



JUDGE E O K BLAIKIE



MISS L P ISAACS



MR M J M SIDEY



MS M A MORGAN



MR S J MCLAUCHLAN



MS K A SMITH



MS R L C HEAL



MISS H M Z LANHAM



MR P W H CHIN



MRS K E GRANT

OFFICERS OF THE UNIVERSITY

Chancellor

Lindsay J Brown BCom(Otago)

Pro-Chancellor

John F Ward BCom(Otago) CA

Vice-Chancellor

Professor D C G Skegg OBE BMedSc MB ChB(Otago)
DPhil(Oxon) FFPHM FAFPHM FRNSZ

Secretary to the Council, and Registrar

Jan A Flood DipPhEd(Otago)

COUNCIL

Appointed by the Minister of Education

Edward W Ellison

James D Palmer BA(Hons) LLB(Hons)(Otago) LLM((Harv)
DPhil(Oxon)

Kereyn M Smith DipPhEd (Otago)

John F Ward BCom(Otago) CA

Ex Officio

Vice-Chancellor

Professor D C G Skegg OBE BMedSc MB ChB(Otago)
DPhil(Oxon) FFPHM FAFPHM FRNSZ

Elected by the academic staff

Dr Marilyn J Duxson BSc(Hons) MSc (Melbourne)
PhD (University College London)

Professor Sarah J Todd BA(Massey) MCom PhD(Otago)

Professor Antony M Wheatley BSc(Hons) (NUI) PhD(Dub)

Elected by the Court of Convocation

Judge Edward O K Blaikie LLB(Otago)

Miss Lorraine P Isaacs MA(Otago & Hawaii)

Mr Michael J M Sidey BCom(Otago) ACA

Elected by the general staff

Ms Margaret A Morgan MA (Otago) DipArch/RecMgmt
(Monash)

Appointed after consultation with central
organisation of employers

Mr Stuart J McLauchlan BCom(Otago) CA

Appointed after consultation with central
organisation of workers

Ms Kristine A Smith BA(Otago) RPN

Appointed by the Students' Association

Ms Renée L C Heal BA(Hons)(Otago)

Miss Honor M Z Lanham

Appointed by the Dunedin City Council

Mr Peter W H Chin CNZM LLB(Otago)

Co-opted

Lindsay J Brown BCom(Otago)

Mrs Kathleen E Grant BA LLB DipArts DipLaw(Otago)

EXECUTIVE GROUP

Vice-Chancellor

Professor D C G Skegg OBE BMedSc MB ChB(Otago)
DPhil(Oxon) FFPHM FAFPHM FRNSZ

Deputy Vice-Chancellor (Academic & International)

Professor D Gareth Jones CNZM BSc(Hons) MB BS(Lond)
DSc(W Aust) MD (Otago) CBiol FIBiol

Deputy Vice-Chancellor (Research)

Professor K Geoffrey White BSc PhD(Otago) FNZPS FAPS
FRNSZ

Chief Operating Officer

A John Patrick BCom(Otago) CA CMA

Pro-Vice-Chancellor (Commerce)

Professor George L Benwell BSurv PhD(Melb) MPhil(City)
MNZCS MISAust

Pro-Vice-Chancellor (Health Sciences)

Professor Don M Robertson MB ChB MD(Otago) FRACP FRCPA

Pro-Vice-Chancellor (Humanities)

Professor Alistair G FOX MA(Cant) PhD(W Ont)

Pro-Vice-Chancellor (Sciences)

Professor Vernon A Squire Polar Medal BSc(Hons)(Wales)
PhD(Cantab) DSc(Wales) FRNSZ
FIMA CMath FNZMS

Pro-Vice-Chancellor (International)

Professor Sarah J Todd BA(Massey) MCom PhD(Otago)

Director of Human Resources

Kevin J Seales BCom(Cant) MHRINZ

Secretary to the Council, and Registrar

Jan A Flood DipPhEd(Otago)



LEGAL STATUS

The University was established in 1869 by the University of Otago Ordinance of the Provincial Council, the University of Otago Amendment Act 1961 and the Education Act 1989. It is governed by a Council, which appoints the Vice-Chancellor, who is the chief executive and employer of all other staff.

STATUTORY ROLE

Defining characteristics of universities in New Zealand, specified in the Education Act 1989, include that their teaching is primarily informed by research, they are repositories of knowledge and expertise, and they accept a role as critic and conscience of society.

THE UNIVERSITY COUNCIL

The Council is constituted and empowered according to legislation. Council is chaired by the Chancellor, and comprises elected, appointed and co-opted members representing key stakeholders including alumni, students and staff.

COMMITTEES OF COUNCIL

Specific committees report directly to Council on matters including financial management and performance, audit, capital development, ethics, risk management and statutory compliance. It also has a Treaty of Waitangi committee with equal Ngāi Tahu membership and may, from time to time, establish special working parties to examine particular issues.

THE SENATE

Senate reports directly to Council, advising it primarily on academic matters as the Academic Board of the University. Senate is convened by the Vice-Chancellor and its membership is drawn mainly from the heads of academic departments, but also includes other senior academics and representatives of other teaching staff and students. It is, in turn, advised by a number of committees and boards.

UNIVERSITY AUTONOMY AND ACADEMIC FREEDOM

The Education Act 1989 provides statutory recognition of, and protection for, the institutional autonomy of the University and the academic freedom of its staff and students. In accordance with the Act, the Council and the Vice-Chancellor have a duty to act to preserve and enhance university autonomy and academic freedom.

GOVERNANCE DOCUMENTS

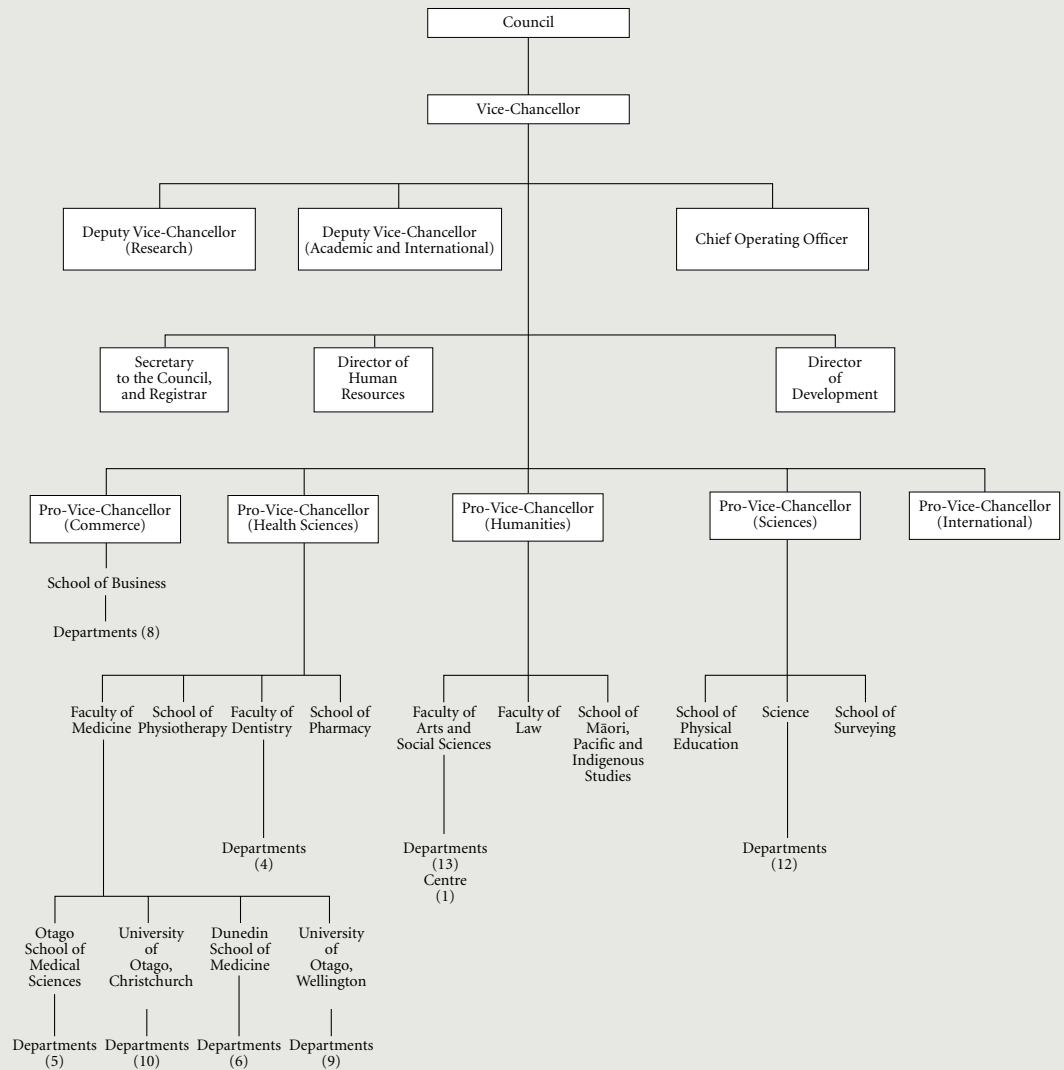
The University Charter sets out the vision and mission of the University, its core values, special character and the high-level intent of its contributions to the wider community, nationally and internationally.

The University strategic plan, Strategic Direction to 2012, provides a framework for the development of the University.

The University Profile demonstrates how the University will give effect to its Charter, the means by which it will contribute to the Government's strategies and priorities for tertiary education, and how it will monitor its performance in these matters.



ORGANISATION CHART





CHANCELLOR'S INTRODUCTION

I am honoured to present the 2007 Annual Report of the University of Otago.

Within the limitations of the continued underfunding of the University sector in New Zealand, the University of Otago community can be very proud of its achievements in 2007 under the outstanding leadership of our Vice-Chancellor, Professor David Skegg. There were many highlights, but two that deserve special mention were the excellent outcome in the Performance-Based Research Funding round (which ranked Otago as New Zealand's top University in terms of research quality), and the successful completion of the \$50 million Leading Thinkers fundraising campaign. These are commented on in more detail in the Vice-Chancellor's Review.

On the negative side, the "Undie 500" which saw many University of Canterbury students descend on Dunedin for a weekend in August, led to a night of lawlessness by a number of Otago and Canterbury students and non-students that we hope will never be repeated. Those involved did not portray the responsible standards of behaviour that the vast majority of our students demonstrate. Indeed, with this one notable exception, University and community authorities are unanimous in their view that 2007 saw a significant reduction in rowdy behaviour.

The successful merger with the Dunedin College of Education took place at 1 January 2007, and the teacher training and educational research services are now provided through one entity, the University of Otago College of Education. This merger increased the University's roll to its highest ever, and added Invercargill as a fourth campus to those at Dunedin, Christchurch and Wellington.

Financial performance for the year was again satisfactory, with the University recording a net surplus of \$26.35 million. The consolidated surplus for the University and its associated Trusts and companies was \$32.12 million, although this does include approximately \$5 million of donations which are not available to be applied towards operating expenditure. These donations are, however, required under accounting standards to be reported as income. It is important to recognise that all surpluses are retained within the University and enable it to progress its investment in quality facilities for students and staff, particularly those identified in our Critical Space Plan.

Graduations are always highlights of the University year. In 2007 we held 11, which is a record for us in any year. This included three ceremonies previously held by the Dunedin College of Education, including two firsts for the University – the first time on a marae (Murihiku) and the first held in Invercargill city. A very special ceremony held in Marama Hall was the awarding of an honorary degree (Doctor of Laws) to Her Excellency, Mary McAleese, the President of Ireland. During the year, we were also delighted to award five other honorary doctorates, the recipients being Mary Ronnie (Doctor of Literature), Patricia Payne (Doctor of Music), John Hall-Jones (Doctor of Laws), John Gavin (Doctor of Science) and Robert Webster (Doctor of Science).

It was a pleasure to hold two Council meetings at campuses outside of Dunedin, the first in May in Invercargill and the second in September in Wellington, coinciding with the official opening of the expanded and redeveloped Wellington campus.

On behalf of Council I extend our grateful thanks to staff, students, funders, alumni, supporters and other stakeholders for their valued contributions to the University's operations and achievements.

I am most appreciative of the valuable contributions of our Councillors, including their participation in Council meetings, graduations, committees of Council, working parties, boards of University companies, informal discussions and representatives of Council at various events. I continue to be privileged to head such an enthusiastic, committed and cohesive Council, bringing together diverse skills for the overall good of this University of which we are all so fond and proud.

Lindsay Brown

CHANCELLOR



 VICE-CHANCELLOR'S REVIEW


It is pleasing to be able to report on another year of excellent progress at the University of Otago. Among many achievements in research, teaching and community service, a highlight was Otago's top ranking in the Government's research assessment exercise (the Performance-Based Research Fund). The University also exceeded the target of its flagship advancement programme, the Leading Thinkers initiative.

In March 2006 the University Council approved our key planning document, *Strategic Direction to 2012*. As in last year's Annual Report, I will review the year under the headings of the six strategic imperatives that have been identified by the University of Otago.

ACHIEVING RESEARCH EXCELLENCE

The advancement of knowledge is a prime function of any university that is worth the name. Our University's declared vision is to be "a researched University with an international reputation for

excellence". We know that teaching at a university level is most effective and inspiring when the teachers are themselves active in extending knowledge. Moreover, the research conducted in universities is vital for the economic and social development of the nation.

The University of Otago is one of New Zealand's two largest research organisations. A report published by the Ministry of Research, Science and Technology in 2006 concluded that Otago is New Zealand's most research-intensive university.

In May 2007 the Tertiary Education Commission announced the results of its assessment of research quality, as part of the Performance-Based Research Fund. The University of Otago achieved the highest ranking for research quality. Close behind Otago were the Universities of Auckland and Canterbury, followed by Victoria, Waikato, Massey, Lincoln and AUT. Otago had the highest ranked staff in more subject areas than any other institution. These included Biomedical, Clinical Medicine, Earth Sciences, Economics, Education, English

Language and Literature, History and Classics, Law, Philosophy, Public Health, Religious Studies and Theology, and Sport and Exercise Science. The University of Otago also had more first or second-ranked subject areas than any other university.

This was a gratifying result, which reflected our focus on research excellence and research-informed teaching in all parts of the University.

The externally-funded research income of the University increased by 8.1% from \$67.5 million in 2006 to \$73.0 million in 2007. For the third year in a row, University of Otago researchers were awarded the largest share of the prestigious Marsden Fund, which supports “blue skies” research in all fields. The University of Otago also gained more than half of the total available funding from the Health Research Council, which was more than twice the amount received by any other institution.

Despite these achievements, we were disappointed and perplexed that the Tertiary Education Commission again failed to select Otago as the host for any of its Centres of Research Excellence (CoREs). Our proposals had received outstanding reports from international referees, and several aspects of the selection process caused us concern. Actually, the whole exercise sent a disheartening message to New Zealand scientists in general. There were 26 new applications for CoREs, including 10 from Otago. Yet the Government agreed to fund only one new centre, while one of the existing CoREs is to be disestablished. One wonders whether decision-makers in Government realised how much time and money had gone into carefully developing proposals that each involved multiple institutions.

Sadly the CoRE process could be regarded as symbolic of the overall picture with regard to research funding in New Zealand. Our scientists and scholars spend enormous amounts of time in seeking support for their research, but their efforts are often frustrated by the abysmal level of investment in this country. Not only is our GDP per capita relatively low, but the percentage of that GDP invested in research is well below the OECD average. A report published by the OECD in 2007 concluded that New Zealand’s total research and development (R&D) intensity (the ratio of gross expenditure on R&D to GDP) is at 1.14%, which is about half the OECD average of 2.25%. The level of research investment by the private sector is particularly low,

and the Government has now made a welcome move to introduce tax credits for R&D. It is to be hoped that this scheme will lead to a genuine increase in the amount of research conducted, but the Government also needs to allocate much more money to bodies such as the Marsden Fund and the Health Research Council. Without this investment, New Zealand cannot expect to achieve the knowledge economy and the social progress that are vital for our future.

Four Otago professors (Sally Brooker, James Flynn, Allan Herbison and Clive Ronson) received the accolade of being elected as Fellows of the Royal Society of New Zealand in 2007. The University’s Distinguished Research Medal was awarded to Professor Keith Hunter, a marine scientist who heads the Department of Chemistry. The Carl Smith Medal for outstanding research performance by an early career staff member was awarded to Dr Peter Dearden, who has conducted important research in developmental genetics.

One of the most exciting trends at Otago has been the steady increase in the number of postgraduate research students. There were 1,074 doctoral enrolments in 2007, which represented a 14.9% increase on the previous year. In September we held a ball at Larnach Castle, to celebrate the fact that more than 1,000 people were studying for the PhD degree at our three main campuses. The first University of New Zealand PhD earned through Otago was conferred in 1927; the number enrolled in 2007 was nearly equal to half the total number of PhD degrees that have been awarded in the intervening 80 years. There could be no more eloquent illustration of the transformation of Otago into a major research university.

ACHIEVING EXCELLENCE IN RESEARCH-INFORMED TEACHING

In January 2007 the new University of Otago College of Education was launched following the merger between the former Dunedin College of Education and the University’s Faculty of Education. The Dean of the College of Education is Professor Helen May. She is supported by excellent colleagues who will be promoting the development of a research-led environment for studies in education and for the optimal training of teachers. One of the consequences of the merger is that the University of Otago now has a campus in Southland.

Partly as a result of the College merger, the University enrolled the largest number of students in its history (20,665) in 2007. These corresponded to 18,158 equivalent full-time students (EFTS), a 4.1% increase from the previous year. A substantial increase in domestic students was partly offset by a reduction in the number of international students. This was largely due to a further reduction in the number of students from China; the number from all other countries combined actually increased in 2007. Students came to the University of Otago from nearly 90 countries, and it was pleasing to note an increase in the proportion of postgraduates among international students.

Several new course developments are outlined elsewhere in this report. The University continued to put considerable emphasis on the quality of teaching and learning, with the Higher Education Development Centre playing an important role. Many students improve their study and learning skills through the support of our Student Learning Centre. Otago has also taken a number of steps to support e-learning.

Teaching Excellence Awards were presented to Donna Buckingham (Law), Associate Professor Katharine Dickinson (Botany), and Associate Professor Pat Langhorne (Physics). Two of these staff also received National Tertiary Teaching Excellence Awards.

In our annual surveys of graduates and students, more than 90% of respondents recorded overall satisfaction with the quality of teaching they have had. It is also heartening to receive continual feedback from employers about the quality of Otago graduates. Otago students have been highly successful in receiving scholarships for postgraduate study overseas. In the case of both the Rhodes Scholarships and the Woolf Fisher Scholarships in 2007, two of the three awards available nationally were won by Otago students.

ENSURING OUTSTANDING CAMPUS ENVIRONMENTS AND STUDENT EXPERIENCE

Only 21% of first-year students at the University of Otago come from Dunedin. The University attracts students from all over New Zealand and internationally, not only because of its academic

reputation, but also because of the outstanding campus life it offers. The University is determined to ensure that the physical and social environment at all of its campuses is conducive to sound learning and personal development.

The most important capital project completed in 2007 was the extension and redevelopment of the main building at the University of Otago, Wellington. This facility, which provides greatly improved teaching and library space, was opened by the Prime Minister in September. There were continued improvements to facilities at the University of Otago, Christchurch. In Dunedin, the most significant development was the purchase of a hotel complex on an extensive site close to the University, which has now been developed as New Zealand's first residential college for postgraduate students. Abbey College will provide over 80 beds in refurbished accommodation of a high quality, with room types and sizes available for both single students and couples. The complex is fully-catered and many of the rooms have en suite bathroom facilities. There are large common rooms and a reading room, and even an indoor heated swimming pool, spa and sauna.

The University Council approved several new projects, including construction of the Hunter Centre which will provide superb facilities for health sciences teaching, as well as a cafeteria and other space for students in the southern part of the campus to meet and interact.

Many factors combine to underpin the unique Otago experience, including the pastoral care provided by our residential colleges, the provision of first-rate student support services, the many activities provided by the Otago University Students' Association (OUSA), and our beneficial relationship with the Dunedin City Council and other local bodies. In recent years the exceptional relationship between the University and its local community was threatened at times by disorderly behaviour on the part of a small minority of students. Following the recommendations of two working parties, which included representatives from the OUSA, two new measures were introduced in 2007. First, a Code of Student Conduct was adopted. Secondly, a Campus Watch service was introduced. By August 2007 Campus Watch was fully operational, with 41 people employed in five teams. Their role is essentially pastoral, and their presence in the

campus area provides valuable support for students in the transition from residential colleges to flatting. Both initiatives have undoubtedly contributed to a significant reduction in rowdiness, which has been appreciated by other students as well as the surrounding community.

CONTRIBUTING TO THE NATIONAL GOOD AND TO INTERNATIONAL PROGRESS

Universities should be judged not only by their performance in isolation, but also by their contribution to the community in the widest sense. The University of Otago has made a special commitment to contribute to the regional and national good, and also to international progress – with special attention to the needs of the developing world. Distance learning programmes provide opportunities in fields where Otago has nationally unique expertise, particularly in the health sciences. The University also provides adult and continuing education courses, and it hosts many conferences and open lectures. Staff of the University are encouraged to provide community service in a prodigious range of roles.

The Hocken Library houses nationally important heritage collections, including books and manuscripts, newspapers and journals, maps and plans, paintings and drawings, photographs and music. The unifying themes are the history and culture of New Zealand, the Pacific and Antarctica, with a particular emphasis on southern New Zealand. In 2007 the University celebrated the centenary of the signing of the original Deed of Trust by our famous benefactor, Dr T M Hocken. As part of the celebrations, the Otago University Press published a book entitled *Treasures from the Hocken Collections*. The contents of the Hocken Library have grown more than a hundred-fold during its first century.

The University continues to contribute to the cultural life of New Zealand through its renowned arts fellowships: the Robert Burns Fellowship in Literature, the Frances Hodgkins Fellowship in Fine Arts, the Mozart Fellowship in Music, and the Caroline Plummer Fellowship in Dance. Following the merger with the Dunedin College of Education, it also now supports a residency for children's writers, in association with Creative New Zealand

and the Robert Lord Trust. In March 2007 there was a Mozart Fellows' Reunion Concert, in which the music of 10 eminent New Zealand composers was featured.

Chairs that have been newly endowed through the Leading Thinkers initiative will also assist national and international progress in several fields. At a function at our Auckland Centre in October, the Prime Minister announced the endowment of a new Chair in Peace and Conflict Studies. The person appointed will lead a centre that will be dedicated to reflection on the nature of conflict, its resolution and the creation of peaceful environments. It will bring together academics, students and visitors from a wide range of disciplines, with one of its key aims being the full and effective involvement of indigenous peoples.

Among other newly endowed centres announced during the year were two in the field of law, one aimed to make the legal system more accessible, affordable and effective for the public, and the other to lead research and public discussion on the legal challenges from emerging technologies.

The University places particular importance on its relationship with Māori. Apart from our obligations under the Treaty of Waitangi, we recognise that the future prosperity and welfare of New Zealand depends on attracting an increasing proportion of Māori and Pacific students to complete University qualifications. During 2007 the University's first Māori Strategic Framework was adopted. This framework was developed with wide consultation following a stocktake carried out in 2005. The framework has six specific goals. They include strong accountable leadership, growth and development of Māori staff and students across the University, encouraging high quality research that contributes to Māori development aspirations and the knowledge economy, and continuing commitment to partnerships with Ngāi Tahu and other iwi.

While the University's primary Treaty-based partnership is with Ngāi Tahu, it has also developed special links with several other iwi. In 2007 the University signed an agreement with a Te Arawa health provider called the Tipu Ora Charitable Trust. This agreement, which was signed at the Tamatekapua Meeting House at Ohinemutu, secures the future of an initiative that involves Otago dental students travelling to Rotorua each year to provide

free treatment for members of the local Māori community. Members of the Treaty of Waitangi Committee also visited Te Puia Springs to renew our Memorandum of Understanding with Ngāti Porou Hauora. This provides for collaboration in the teaching of Otago students, especially from the Divisions of Health Sciences and Sciences. Many of our undergraduate and postgraduate students have benefited from the training opportunities provided by Ngāti Porou.

The number of Māori students enrolling at the University increased even more markedly than in previous years – from 1,368 in 2006 to 1,535 in 2007 (an increase of 12.2%). Māori students now account for 7.4% of total enrolments and 8.5% of domestic enrolments. It is also worth noting that the proportion of Māori students remaining at University and completing their qualifications is higher at Otago than at New Zealand universities in general. This must partly reflect the support provided by our Māori Centre and other services.

The number of Pacific Peoples students also increased, from 545 in 2006 to 584 in 2007. These students benefit from the advice and support of the Pacific Islands Centre. Pacific students still account for only 2.8% of total enrolments, and we are receiving advice from our Pacific Peoples Reference Group about further progress in this area. We are committed not only to increasing the recruitment, retention and achievement of Pacific students, but also to supporting the development of higher education in the Pacific. As part of this commitment, we are providing scholarships for academic staff from the National University of Samoa to come to Otago to study for higher degrees. During 2007 a delegation from Otago visited the National University of Samoa, while also hosting an alumni function in Apia.

STRENGTHENING EXTERNAL ENGAGEMENT

The University places a particular emphasis on building relationships with key national bodies, as well as with regional and international communities. Clearly this imperative is closely related to the previous one.

Otago researchers are making increasing efforts to apply their expertise to problems of high national

relevance, and to collaborate with colleagues in other universities and in Crown research institutes. A good example is the National Energy Research Institute, which is hosted by the University of Otago and convened by Professor Gerry Carrington. This institute is working to improve research on secure, sustainable energy through more collaboration among researchers, and better linkages to industry, Government and energy consumers.

Professors appointed to new Leading Thinkers chairs are also assisting external engagement. For example, the University's Centre for Science Communication was launched in 2007 with the appointment of two professors: Lloyd Davis (to the Stuart Chair) and Jean Fleming. The Eamon Cleary Professor of Irish Studies, Peter Kuch, has not only been developing an exciting teaching programme, but also developing strong community links. In October 2007 he directed New Zealand's first Irish Film Festival, which had a successful season in both Dunedin and Auckland. The University is also strengthening its links with institutions in Ireland, and in October it conferred an honorary degree on the President of Ireland, Mary McAleese. The Dunedin City Professor of Entrepreneurship, Brendan Gray, is working to encourage a culture of entrepreneurship throughout the School of Business, other University departments and the business community.

An enhanced entrepreneurial spirit is a key element of a "better-connected" University. The University is becoming involved with a greater variety of partners, particularly in applied research and commercialisation. The University's Enterprise Office comprises a strong and vibrant group, including staff in Wellington and Auckland. Progress is also being made in optimising the interface between the Enterprise Office and the University's commercialisation company, Otago Innovation Limited.

BUILDING AND SUSTAINING CAPABILITY

In order to achieve its goals, the University needs to secure adequate and diversified funding, and to invest in the staff and the physical and information technology resources required to achieve excellence.

The Annual Report shows that the University is in a sound financial position. In 2007 the operating



Irish President Mary McAleese shares a light-hearted moment with Vice-Chancellor Professor David Skegg (left) and Chancellor Lindsay Brown.

surplus was \$26.4 million, which was 12.4% above budget. The University exceeded all of the financial guidelines provided by the Tertiary Education Commission, although we have not yet met the University's own surplus target of a five-year moving average of at least 2% of equity. It is recognised that we need to achieve higher operating surpluses, so that we can make more rapid progress on our Critical Space Plan and other capital improvements. The University has a pressing need for expanded and improved facilities, both for teaching (as in the School of Dentistry) and for research.

The Government announced the introduction of a new system for funding tertiary education from 2008. During 2007 we had constructive negotiations with officials from the Tertiary Education Commission, as we developed a plan for Government investment. Fortunately there is a good alignment between the Government's priorities for tertiary education and the strategic direction of this University.

We were delighted to announce that our Leading Thinkers initiative had exceeded its target more than six months ahead of schedule. The aim of this advancement programme was to raise \$50 million (including \$25 million provided as matching funds by the Government, under its Partnerships for Excellence scheme) to enable the University to attract or retain outstanding researchers and

scholars. Thanks to the generosity of philanthropists (including several of our alumni) and Trusts, we have been able to establish 27 new projects. Most of these are professorial chairs, with many being in fields which will stimulate new academic directions. They also include a new research vessel, *Polaris II*, which is being used by over 20 researchers from seven departments.

In conclusion, I believe that the University of Otago is in good heart. There is a shared vision of the importance of high quality research and research-informed teaching. We have taken steps to minimise bureaucracy and to foster a collegial approach to decision-making. The main challenges we face at present are the inadequacy of research funding in New Zealand and our need for additional space for research and teaching.

I would like to thank my colleagues on the academic and general staff for their commitment and loyalty to the University of Otago. My special thanks are due to the Deputy Vice-Chancellors, the Chief Operating Officer and other members of my Advisory Group. I am also very grateful to the Chancellor and the other members of the University Council for their guidance and support throughout 2007.

Professor David Skegg

VICE-CHANCELLOR


KEY EVENTS 2007
SENIOR APPOINTMENTS

Richard Barker to the Chair in Statistics.

Amanda Barusch as Professor of Social Work and Community Development.

Douglas Booth as Dean of the School of Physical Education.

Peter Crampton as Dean and Head of Campus at the University of Otago, Wellington.

Lloyd Davis to the Stuart Chair in Science Communication.

Brian Darlow to the Cure Kids Chair in Paediatric Research.

Jean Fleming as a Professor of Science Communication.

Majella Franzmann as Pro-Vice-Chancellor (Humanities).

Jörg Frauendiener to the Chair in Applied Mathematics.

Neil Gemmell to the AgResearch Chair in Reproduction and Genomics.

Brendan Gray to the DCC Chair in Entrepreneurship.

Brent Hall as Dean of the School of Surveying.

Philip Hill to the McAuley Chair in International Health.

Angela McCarthy as Professor of Scottish and Irish History.

Liam McIlvanney to the Stuart Chair in Scottish Studies.

Virginia Nicholls as Director of Marketing and Communications.

Lisa Smith as Professor of Education.

EMERITUS PROFESSORS

The following professors were granted the status of emeritus professor:

Professor David Jones (Department of Microbiology and Immunology and Dean of the Otago School of Medical Sciences) and Professor Alan MacGregor (Department of Accountancy and Business Law and Dean of the School of Business).

PROFESSORIAL PROMOTIONS

The following staff were appointed to full professor:

Dave Craw (Geology), Kevin Dawkins (Law) and Henry Johnson (Music). Kelvin Lynn (Medicine, Christchurch) was appointed a clinical professor.

The following staff were appointed to associate professor:

Michael Albert (Computer Science), Michael Baker (Public Health, Wellington), Allan Blackman (Chemistry), Donna Buckingham (Law), John Clark (Mathematics and Statistics), Alison Cree (Zoology), Rohana De Silva (Dentistry), David Duval (Tourism), Richard Edwards (Public Health, Wellington), Elizabeth Franz (Psychology), Ian Jamieson (Zoology), John Knight (Marketing), Pat Langhorne (Physics), Dorothy Oorschot (Anatomy and Structural Biology), Jorge Paredes (Languages and Cultures), Murray Rae (Theology and Religious Studies), David Reith (Women's and Children's Health), Abigail Smith (Marine Science), Richard Troughton (Medicine, Christchurch), Peter Whigham (Information Science), Stephen Wing (Marine Science). Robert Kennedy (Anaesthesia, Christchurch) was appointed clinical associate professor. Christopher Charles (Medicine, Christchurch), Mary Cullinan (Dentistry) and Robert Hancox (Preventive and Social Medicine) were appointed research associate professors.

OBITUARIES

Emeritus Professor Alan Clarke (74). Dean of the Christchurch School of Medicine (1986 – 93), University of Otago Provost (1975 – 79) and the Ralph Barnett Professor of Surgery in Dunedin (1970 – 85).

Sir Thomas Davis (90). Former Cook Islands Prime Minister and High Commissioner to New Zealand. An Otago alumnus, he was the first Cook Islander to qualify as a doctor in New Zealand. He was awarded an honorary Doctor of Laws degree in 2005.

Professor Jean-Pierre Dufour (54). Professor of Food Science at Otago in 1995 and head of the Department of Food/Clothing and Textile Sciences from 2001.

Emeritus Professor James (Jim) Hood (69). Former Deputy Dean of the School of Dentistry (1994 – 2006).

Thomas Kay Stuart Sidey (99). Former University Chancellor (1970 – 76), Pro-Chancellor (1959 – 70) and member of the University Council (1947 – 83).

Professor John (Sandy) Smith (69). He joined the Department of Microbiology in 1967 and served as its head from 1996 – 2004.

HONORARY DEGREES

Honorary degrees were conferred on: Emeritus Professor John Gavin (HonDSc), Dr John Hall-Jones (HonLLD), Her Excellency Mary McAleese (HonLLD), Patricia Payne (HonMusD), Mary Ronnie (HonLittD) and Dr Robert Webster (HonDSc).

HONOURS

Associate Professor David Gerrard (Dunedin School of Medicine) was made a Companion of the New Zealand Order of Merit for services to sports medicine.

Dr Rosemary Beresford (Pharmacy), Emeritus Professor Martin Ferguson (Dentistry) and Dr Robert Miller (Anatomy and Structural Biology) were made Officers of the New Zealand Order of Merit. Associate Professor Peter Schwartz (Pathology) was made a Member of the New Zealand Order of Merit.