

MURDOCH UNIVERSITY SUBMISSION

Strengthening University Governance: Expert Council on University Governance

1. Introduction:

Murdoch University thanks the Expert Council on University Governance for the invitation to provide a submission to inform their work around the improvement of University Governance in Australia and in particular on a draft *University Governance Principles and Recommendations* to be submitted to the Education Ministers.

We note that the scope of submissions is to be limited to the following:

- Where do you think governance most needs to improve relative to your expectations of the role of Australian Universities?
- What governance principle(s) do you think could help resolve the issue(s) as you have identified?
- Where possible, relate your comments to the key areas identified by the Education Ministers, and the Code of Governance Principles and Practices for Australia's Public Universities (linked below)
- Other related or relevant matters to the governance of universities in Australia

2. Background:

It is helpful to provide a short background on Murdoch University. Murdoch University was established under the Western Australian State Government's *Murdoch University Act 1973*.ⁱ The first cohort of staff joined in 1974 and the first students arrived in 1975.

Over our five decades, Murdoch University has graduated more than 100,000 students; built a thriving Veterinary School now ranked in the global top 50, and opened campuses locally in Mandurah and Rockingham, and globally in Singapore and Dubai where we undertake world-leading research to expand our knowledge and that of our students across all major disciplines.

Murdoch University has, from its inception in 1974, been a university of difference. Murdoch has always been associated with creative thinking and fresh perspectives, the environment, conservation and sustainability, respect for First Nations people and their culture, as well as social justice, diversity, and inclusion for all.

In 2025 Murdoch University has in excess of 24,000 students across its campuses, studying across five Colleges and over 2,100 staff. We have just completed the second year of our Strategy - *Ngala Kwop Biddi: Building a Brighter Future, Together*ⁱⁱ which strongly restates Murdoch's unique identity, distinctiveness, purpose, and values while also charting the course for the University we want to be in 2030 and beyond.

The *Murdoch University Act* under which the University is established and governed sets out the objects and functions of the University; provides for its governance structure and

the power to make By Laws, Statutes and Regulations; and legislates, with respect to University lands, financial provisions, and commercial purposes.

Murdoch University holds unconditional registration with Tertiary Education Quality and Standards Agency (TEQSA) with a registration renewal date of 9 June 2028.

The quality and integrity of the University's activities are subject to extensive Commonwealth legislation and regulation. The University has reporting requirements at State level also; the annual audit of the University's financial statements and key performance indicators is carried out by the Western Australia Office of the Auditor General.

The University has a comprehensive quality review program being a seven-year cycle of systematic review of Governance and organisational units (both academic and professional) across the University. This program is governed by the *Quality Review Policy*ⁱⁱⁱ approved by the University's Senate (governing body). In addition, the University's accredited professional degree courses are accredited by external bodies and reviewed regularly. The University's courses are comprehensively reviewed as required by the HESF in line with our *Course Review Procedure*^{iv}.

The University's corporate and academic governance arrangements are subject to independent external review at least every seven-years in accordance with the HESF Threshold Standards and our *Governance Review Procedure*. Internal performance reviews are undertaken every two years as set out in the *Senate Statement of Governance Principles*^v

Murdoch University adopted the original iteration of the *Voluntary Code of Best Practice for the Governance of Australian Universities* in 2011 and the updated version in 2018. At its meeting held on 11 March 2025, the University adopted the recently updated the Code now known as *A Code of Governance Principles and Practice for Australia's Public Universities*. The University reports compliance with the Code in its Annual Report.

3. Submission:

- *Where do you think governance most needs to improve relative to your expectations of the role of Australian Universities?*

There has been much written in recent times in Australia and overseas about the role of universities and the governance to ensure that this role is carried out to a high standard with integrity and the provision of quality teaching and research. There is a clear focus on the desire to ensure that governance is fit for purpose.

We are not aware of any general systematic failures of governance in Australian universities. While there are often suggestions of failures of governance in respect of a myriad of matters, this is not the case and arguably the notion of failure of governance is one that is bandied about too loosely.

The governance of Australian universities is monitored and assessed by TEQSA which has broad powers to register higher education providers, and to assess provider compliance with

the Threshold Standards, Australian Qualification Framework (AQF) and the Education Services for Overseas Students (ESOS) Act. The Threshold Standards include Domain 6 – *Governance and Accountability* which covers *Corporate Governance* (6.1) and *Corporate Monitoring and Accountability* (6.2).

Under the *TEQSA Act*, universities must demonstrate to TEQSA that members of its governing body and senior office holders are fit and proper persons to hold their positions. At Murdoch University, Senate members are required to complete a Tertiary Education Quality and Standards Agency (TEQSA) fit and proper person declaration and register as a member of the governing body with the Australian Charities and Not-for-profits Commission (ACNC).

Murdoch University has reporting requirements at State level also; the annual audit of the University's financial statements and key performance indicators is carried out by the Western Australia Office of the Auditor General.

The University's corporate and academic governance arrangements are subject to independent external review at least every seven-years in accordance with the HESF Threshold Standards and our *Governance Review Procedure*. Internal performance reviews are undertaken every two years as set out in the *Senate Statement of Governance Principles*.

Since 2011 there has been a *Voluntary Code of Best Practice for the Governance of Australian Universities* (Code) in place. Universities which adopt this Code are required to report on compliance in their Annual Report. This Code was updated in 2018. In December 2024 the University Chancellors' Council amended this Code and published *A Code of Governance Principles and Practice for Australia's Public Universities*. This has now been adopted by Murdoch University.

With the above at National and State levels, there are ample opportunities for oversight of the governance of Australian universities.

- *What governance principle(s) do you think could help resolve the issue(s) as you have identified?*

Any increase of the reporting/accountability burden on universities should be considered against the cost. Additional resources will be required – and careful thought should be given to whether this cost will provide any benefit to the sector. Over the years the number of non-academic staff at universities in Australia has grown and, in some institutions, exceeds the number of academic staff. This is due in no small part to the compliance burden. To add to this burden would require additional resourcing that could better be spend on increasing funding for teaching and research and thus support Australia's growth and development and achieve the national science and research priorities to provide a brighter future for all.

- *Where possible, relate your comments to the key areas identified by the Education Ministers, and the Code of Governance Principles and Practices for Australia's Public Universities*

The ten priority areas identified by the Education Ministers are now included in the *Code of Governance Principles and Practice for Australia's Public Universities* ("Code"). The examples below as to how Murdoch University has engaged with these priorities shows that

universities are able to modify their governance arrangements of their own volition as part of a continuum of improvement.

1. *achieve a balance between higher education and other expertise on the governing body, with at least one non-executive member who has university leadership expertise from outside the institution;*

Following an external review of Murdoch University's governance in 2022, there are now two members with university leadership expertise from outside the institution.

2. *improve structures and processes to ensure that high risk and high priority matters reflect consultation and engagement with the university community and have appropriate oversight and reporting to and by the governing body;*

The University's Strategy 2023-2030 - *Ngala Kwop Biddi: Building a Brighter Future Together* was developed with extensive consultation across the University. The Enablers of the Strategy include empowering and developing our people and improving systems and processes. Risk Management Plans have been developed at the strategic and operational levels and are regularly reported to Senate's Audit and Risk Committee and on to Senate as appropriate. Academic risk is reported up through the Academic Governance Committees.

3. *reflect the diversity of the Australian community, and the specific characteristics of the university community they serve, in making appointments;*

Nine of the seventeen members of the Senate of Murdoch University are graduates of the University.

4. *achieve gender balance on the governing body in line with jurisdictional and Australian Government targets;*

Having at least 50% female members amongst the appointed and co-opted members of Murdoch University's Senate has been a requirement of the State Government since 2018. Murdoch University's Senate membership complies with this.

5. *have First Nations membership on the governing body, and separate, transparent processes to capture First Nations leadership and engagement on university strategy, policies and performance;*

There are currently two First Nations members on Murdoch University's Senate. There is a First Nations Management Committee reporting up to the Senior Leadership Team, and other groups across the University at University and more local levels, set up to capture First Nations Leadership and address relevant issues.

6. *have one or more student members of the governing body, and separate, transparent processes to capture student input on university strategy, policies and performance;*

The composition of Murdoch University's Senate (governing body) is set out in section 12(1) of the *Murdoch University Act*. This includes students as members.

There are student members on many of the University's governance committees, including the Senate. The University conducts regular feedback surveys. Senior Leaders have regular meetings with the Guild President.

7. *have one or more staff members of the governing body, and separate, transparent processes to capture staff and union input on university strategy, policies and performance;*

The composition of Murdoch University's Senate (governing body) is set out in section 12(1) of the *Murdoch University Act*. This includes staff as members.

The University conducts regular pulse and employee engagement surveys. The Vice Chancellor holds at least four "Town Halls" a year where staff can ask questions and provide feedback. Feedback is also provided direct to senior leaders.

8. *require all new appointments to go through a rigorous and transparent selection process that utilises a formal and regularly updated skills, capabilities, and diversity selection matrix that is in line with their jurisdiction's requirements and directed to the selection of the person best suited to the position;*

Murdoch University has a skills matrix in place for Senate and Senate Committees. Appointments to Senate are made through nomination by the Chancellor's and Nominations Committee and approved by Senate or the Governor. For the last two Senate appointments, the University conducted an expression of interest from amongst its graduates. This provided a potential pool of appointees.

More generally, staff appointments are made in accordance with the University's recruitment policies.

9. *require all governing body members to have, or undertake, training on the specific responsibilities and expectations of their role as governing body members, and separately clarify the way the role of governing body members is described; and*

Every new Senate (or Senate Committee) member has an induction conducted by the University Secretary and also meets with the Chancellor and Committee Chair as relevant. Members have the opportunity to attend AICD courses (including the bespoke AICD/UCC course for university governing body members).

Information on the induction process is contained in the *Senate's Statement of Governance Principles*.

Further there are opportunities for training, through for example bespoke sessions on workplace, health and safety legislative responsibilities.

10. *demonstrate and maintain a rigorous and transparent process for developing remuneration policies and settings for senior university staff, with consideration given to comparable scale and complexity public sector entities and ensure remuneration policies and packages are publicly reported.*

Remuneration for Senior Officers at Murdoch University is set by Senate's Chancellor's and Nominations Committee (CNC). When determining remuneration, the CNC is provided with benchmarking reports such as those produced by the University Chancellor's Council.

The Education Ministers identified the following risks in the Australian Universities Accord:

- *Ensuring that universities are good employers providing a supportive workplace – and, importantly, a workplace where staff can have confidence that they will not be underpaid for the important work they do*
- *Making sure our universities are safe for students and staff*

The *Fair Work Act 2009* (Cth)^{vi} governs employment conditions in Australia, The FairWork Commission has jurisdiction to hear complaints from staff of the University about matters such as unfair dismissal, bullying, or a dispute about an award or agreement.

The University has in place an Enterprise Agreement 2023 (EA), approved by FairWork Commission, which governs the working conditions of the majority of its staff. This is negotiated every four years with staff and the relevant unions.

The University's EA sets out the conditions of employment and the pay scales. In common with other universities, and other sectors, the EA is complex in nature. Processing pay has evolved over time from a wholly manual activity to payroll systems which require updating each time the EA changes. While there has been underpayment of wages by the University, a payroll remediation program has been in place at Murdoch University since 2022 and good progress has been made to remediate pay for current and former staff. Modern payroll systems will serve to support correct payments going forward.

The governance of Murdoch University is underpinned by a commitment to legislative compliance, including adherence to workplace laws and regulations. Senate's Audit and Risk Committee have a bi-annual report on legislative compliance. This commitment ensures a safe, fair, and inclusive environment for all members of the university community. Through robust policies, regular monitoring, and a culture of accountability, Murdoch University continues to uphold its high standards of governance and operational excellence. The Senate's People, Safety and Culture Committee receives regular reports on staff and student matters. While the Senate receives regular reports and presentations on staff and student safety and wellbeing matters.

- *Making sure governing bodies have the right expertise, including in the business of running universities*

The composition of Murdoch University's Senate (governing body) is set out in section 12(1) of the *Murdoch University Act*. This includes students and staff as members. It provides that at least two members "must have financial expertise" and "and at least one must have commercial expertise. Subsequent sections provide for the term of office of members; for the resignation, disqualification, and vacation of office; and for removal of members for breach of certain duties. Schedule 1 Division 1 sets out the duties of Senate members and Division 2 addresses disclosures of interest.

Murdoch University's Senate has approved a *Senate Statement of Governance Principles*. This document brings together the functions and processes of Senate, and sets out how Senate operates.

The 2024 Australian Universities Accord Report recommended that university governing bodies have at least two members with senior academic experience. In 2022, an independent corporate governance review undertaken of Murdoch University's corporate governance had recommended this, and Murdoch University has had this membership requirement in place since early 2023.

A Code of Governance Principles and Practice for Australia's Public Universities (December 2024)

Although the Code to some degree expands on the *Voluntary Code of Best Practice for the Governance of Australian Universities* with more detailed compliance requirements in places, the underlying principles are similar.

It is submitted that the University Chancellors' Council has spent some time in considering and updating this document and while it is understood that the Expert Council will want to review it and perhaps put their own "stamp" on it, it is a fit for purpose document that will serve to guide governance at Australian Universities.

- *Other related or relevant matters to the governance of universities in Australia*

The above detail demonstrates that, like other Australian universities, the governance of Murdoch University is subject to many legislative compliance requirements at many levels. It is subject to scrutiny by bodies such as the State Ombudsman, the State's Public Sector Commission and Corruption and Crime Commission, the Department of Education, and TEQSA. At the governance level, the adoption of and reported compliance with the UCC Code of Governance Principles and Practice for Australia's Public Universities (December 2024) should give a level of comfort that the governance of universities is monitored, fit for purpose and not something of concern.

XX April 2025

ⁱ https://www.legislation.wa.gov.au/legislation/statutes.nsf/main_mrtitle_619_homepage.html

ⁱⁱ https://www.murdoch.edu.au/explore/our-strategy?_gl=1*14jvivv*_gcl_au*MTEzNzgyODkwLjE3MzQzMzM4MDc.*_ga*Njc3MTA2NzY3LjE3MjYwND E2NTg.*_ga_JJL7264DX3*MTc0MDEyNjcyNy4xMjMuMS4xNzQwMTI2NzU3LjMwLjAuMTY1NTY4NTI5Nw.

ⁱⁱⁱ <https://murdoch.navexone.com/content/dotNet/documents/?docid=2982&app=pt&source=browse&public=true>

^{iv} <https://murdoch.navexone.com/content/docview/?app=pt&source=unspecified&docid=3112>

^v <https://murdoch.navexone.com/content/docview/?app=pt&source=unspecified&docid=3245&public=true&fileonly=true>

^{vi} https://www.austlii.edu.au/cgi-bin/viewdb/au/legis/cth/consol_act/fwa2009114/