



## **Queensland University of Technology**

### **Submission to the Expert Council of University Governance consultation**

QUT thanks the Expert Council of University Governance (the Expert Council<sup>1</sup>) for the opportunity to make a submission to assist its important deliberations on university governance in Australia.

QUT is of the view that the governance requirements of universities are not so unique as to demand the development of a suite of novel, bespoke governance principles and approaches. The principles and approaches already developed by the broader governance community in Australia, suitably adapted on application, are sufficient to ensure that universities are run as well as other entities of comparable size and complexity, adhering to well-established and widely-observed governance norms that are continuously improved by the application of the collective effort of the nation's leading governance experts.

While the particular nature, context and mission of universities are manifestly different in kind to other sectors of the economy, each of those other sectors could no doubt make the same claim with equal validity. We are all different in our own way, but at some level the demands, responsibilities and challenges of governance are held in common. The best path to optimising governance is not to build anew from the ground up in each sector, but to look for emergent and transcendent common principles and existing best practice across all sectors, and then apply them to one's own circumstances.

While there would be value in articulating best practice advice for the application of those principles and approaches to the university setting, there is no need to create an entirely fresh paradigm for our sector. QUT therefore cautions against any attempt to reinvent the wheel on university governance through the work of the Expert Council.

QUT is of the view that the Expert Council should focus its deliberations on two areas that are likely to yield immediate and meaningful returns: university council composition and governance education for members.

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<sup>1</sup> While we note the preference of the [Expert Council on University Governance](#) to be referred to as 'the Council', we find that preferred nomenclature to be inherently confusing, given the proliferation of different uses of the word 'council' in this university governance discussion. Most university governing bodies – the very subjects of the present consultation – are themselves called councils; some appointments to those are made by the 'governor-in-council', a body comprising a governor as chair and the members of a jurisdiction's executive council (of ministers); some university acts have 'orders-in-council' provisions; and the University Chancellors Council is not only an interested party in its own right, but is also the secretariat for this consultation. We therefore respectfully depart from the stated preference and refer herein to the Expert Council on University Governance as 'the Expert Council'. For clarity we refer to the University Chancellors Council as 'the UCC', and university governing bodies generically and collectively as 'university councils'.

The composition of university councils can have a substantial bearing on university councils' governance performance. The use of skills matrices greatly enhances the ability of governments and university councils, working in concert through their respective appointment mechanisms, to ensure that each university council has the full complement and range of skills and experience that favours broad discussion informed by a diversity of expertise and perspective. There is substantial evidence to show that group diversity strengthens collective decision-making: diversity not only of professional experience and expertise, but also of origin, life experience and demography.

As an aspect directly within the legislative control of governments, composition is not only important but also relatively readily addressed. At present there are significant variations in arrangements across the country and even within jurisdictions. Uniform harmonisation of these arrangements across the country is not necessary (although standardisation within jurisdictions would seem to be advisable), but the composition of all university councils should be reviewed with reference to best practice through an evidence-based assessment of efficacy. This is work that the Expert Council could conduct or commission that would provide each jurisdiction with a reference standard against which to determine its own unique needs. The QUT Council composition is one of the more recent revisions to council composition. This was done by the Queensland Government, after extensive consultation and deliberation with stakeholders so we respectfully offer the composition profile featured in the *Queensland University of Technology Act 1988 (Qld)* as a model for consideration.

#### **Attachment 1.**

While governments may determine the composition of university councils, some legislatures have yielded a considerable degree of control of composition to university councils themselves, by means of orders-in-council and similar mechanisms. These provisions extend to the university council the power to determine its own precise composition, albeit with differing parameters for some categories of membership (e.g. 'there shall be no fewer than three and no more than six members appointed by council'; 'there shall not be more council-appointed members than government appointed members'; 'at least two of the additional members shall be graduates of the university'). All the Victorian university acts currently feature this delegation of composition; in Queensland, only the *James Cook University Act 1997 (Qld)* has such a provision (called a 'membership resolution' in that Act).

Acts with order-in-council provisions also contain more precisely defined composition profiles that prevail unless and until such an order-in-council is made. These default profiles specify the numbers of ex-officio, government appointed, elected and council appointed members (however named). The removal of the order-in-council provisions would be a relatively simple matter in such cases since those provisions for a precise composition formula are already enacted and could be readily reviewed and amended if required.

Hence, we contend that some of the anecdotal evidence related to the Accord panels and reported in the Interim Report, stems in part not from an increase in members with business expertise but rather a reduction in the proportion of elected staff and student members, and these vary between states. For example, the Queensland Universities have elected representatives from 20% to 36% compared to 12.5% to 15% in Victoria.<sup>2</sup>

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<sup>2</sup> These followed reforms in Victoria in 2013 (Naphthine government) and 2016 (Andrews government) which first removed all elected representatives and then enabled at least one staff and student member but most did not restore the same numbers as those prior to the Naphthine changes.

QUT recommends that:

1. The Expect Council conducts or commissions work on a non-binding model university council profile that would provide each jurisdiction with a reference standard against which to determine its own unique needs.
2. Governments amend university acts to remove the provision for university councils to determine their own precise composition by means of order-in-council or similar mechanisms; instead, governments should decide on their preferred composition profile and legislate for them.
3. Governments exercise care when making appointments to university councils, whether via Governors-in-Council or directly by Ministers, to ensure that candidates for government appointment are suitable individuals who bring to each university council the needed skills and experience, determined with reference to the existing skills matrix, and endow each university council with a suitably broad range of perspectives.

In addition to careful attention to composition, including individuals' suitability and contribution to the sum of the skills, experience and perspective needed by their university councils, the aspect offering the greatest potential for systematic improvement is governance education.

It is not a reasonable expectation that all potentially valuable university council members will already have formal governance training prior to joining – this is most obvious in the case of the elected members but is also potentially true for other members, whose valuable skills and experience may not have happened to include an opportunity to undertake governance training.

This gap can be readily addressed by the joint efforts of governments and universities, who should work to develop a set of expectations about the level and type of governance education to be made available to new council members. Governments concerned to ensure the high standard of university governance while ensuring the inclusion of a diversity of skills, experience and perspectives could fund and accredit the provision of governance education through an appropriate body or bodies. There are two aspects to the required training, i.e. education of elected staff and student members in corporate governance, and education of new members who may have corporate governance expertise but less exposure to the features of university governance and management.

Finally, we recommend the expert council critically examine the assumptions that some of the reported issues are correlated with the asserted shortcomings of expertise on university councils.

For example, issues of incorrect payments of staff may historically and inherently derive from the complexity of enterprise agreements (span of hours, overtime and other provisions), devolved decision-making in most university operating models, and power imbalances between on-going and sessional staff, especially when the latter are also research students.