

7 April 2025

Dear Expert Council Members,

## **Submission to the Expert Council on University Governance**

Thank you for the opportunity to contribute to this important consultation on university governance. Federation University Australia (**'Federation'**) welcomes the Expert Council on University Governance review into governance arrangements in the university sector.

The Victorian Minister responsible for TAFE, Skills and Higher Education, the Hon Gayle Tierney MP, has overseen rigorous application of governance principles in both universities and TAFEs in Victoria. This has been instrumental in assuring the Victorian Government that both the composition of Councils and their governance of institutions meets the highest standards. Regular review of governance by the Minister and the Victorian Department of Jobs, Skills, Precincts and Regions, ensures that governance arrangements for universities and TAFEs respond to changes in governance best practice and legislative changes impacting on governance.

As a multi-campus, dual-sector university with a mission to serve regional, outer metropolitan and equity cohorts, Federation notes its strong governance arrangements established under its Victorian legislation provide a firm foundation to secure demonstrated public outcomes. They support effective decision-making, oversight and inclusion. We recognise that nationally consistent governance expectations, including benchmarking and support for student and staff participation, can add value, in particular if they are proportionate, coherent, and integrated with existing arrangements. However, any changes to the carefully designed governance of universities in Victoria need to be undertaken in close and careful consultation with the Victorian Minister and Victorian Government, under whose legislation and oversight Victorian universities operate.

To assist, Federation has set out responses to the specific questions for consultation below:

### **1. Where could governance benefit from greater consistency or national coordination?**

Federation supports a nationally consistent governance framework that strengthens arrangements across the sector without undermining existing, well-functioning systems, established by the Victorian Government in its rigorous application and oversight of governing legislation. The current governance structures for Victorian public universities — including ours — already reflect strong alignment with public sector expectations, fiduciary responsibilities, and the principles outlined in the Voluntary Code of Best Practice for the Governance of Australian Universities.

In this context, Federation supports a national higher education benchmarking framework that helps reinforce the integrity and transparency of university governance. The Victorian Government governance framework provides such a benchmark. A benchmarking framework should enhance coordination, promote national alignment, and support continuous improvement — without duplicating or displacing jurisdictional responsibilities. Within the Council's work and the development of national benchmarking, Federation notes this could support more transparent and consistent approaches to Vice-Chancellor

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remuneration. Federation supports the setting of Vice-Chancellor salaries by the Commonwealth Remuneration Tribunal.

## 2. What principles should guide governance reform across the sector?

Federation supports governance principles that reflect industry, government and legislative best practice. The existing principles are sufficient, have a long history of judicial consideration, and each of those bodies responsible for developing and interpreting governance principles, that is, the Law Council, the Australian Institute of Company Directors, Tertiary Education Quality and Standards Agency and government have developed principles that are practical, proportionate, and adaptable to changing mores. These principles should reinforce — not replace — the foundations of sound governance: purpose-led decision-making, financial and risk oversight, inclusive representation, and public accountability.

Federation's governance arrangements already reflect these principles. Our Council currently comprises 14 Government and Council appointed members with diverse skills and experience. Membership includes elected student and staff representatives, the Chair of Academic Board, the Vice-Chancellor, a former Secretary of the Department of Prime Minister and Cabinet, a former State Auditor-General, an accomplished academic and respected Aboriginal Elder, former Anglican Primate of Australia, Global Technology CEO, trained mediators and governance experts, and other current and former executives and community leaders with deep connections to the regions that Federation serves.

Half (7/14) of Federation Council Members have expertise in the business of universities, having worked as leaders or staff within the sector. This is balanced by members with government, commercial and business expertise who make an important contribution in driving the strategic direction, promoting a culture of innovation, and supporting the complex governance and compliance functions of our dual-sector university.

For all Council appointments, including Ministerial appointments, the Minister requires that Victorian universities follow rigorous selection criteria to provide a diversity of skills and representation consistent with the Victorian Government Board Guidelines and national governance best practice.

The key principle underpinning our recommendation is that governance reform should enable rather than constrain universities, in line with the Victorian Government's consistent approach. Arrangements that work should be retained, unnecessary complexity should be avoided, and there should be a capacity for universities to adapt principles to ensure consistency with their Act. In regional and dual-sector settings like Federations, this means allowing flexibility while reinforcing integrity, capability, and connection to community. Given the significant policy changes affecting the sector, it is imperative that universities have sufficient institutional autonomy to be able to innovate and differentiate themselves to remain financially viable and achieve their missions.

## 3. Are there other considerations that should inform governance reform?

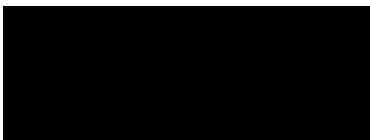
Strong governance supports long-term institutional stability and mission delivery. It is not an end, but a platform for trusted decision-making that aligns university operations to the communities they serve. At Federation, this is reflected in our high levels of first-in-family participation, our regional workforce partnerships, improved risk management under the Simplified Student Visa Framework and our strong graduate employment outcomes. This is all underpinned by Federation's existing governance arrangements.

Federation encourages the Expert Council to recognise that governance must remain simple, stable and fit-for-purpose. Any reform should align with State Government oversight and the broader sector architecture to the extent is necessary to align to the landmark reforms being proposed for our sector — including the Managed Growth Funding Model and Australian Tertiary Education Commission or other proposed reforms — while avoiding creating a unique system that diverges from other governance systems used in the private and public sector. This is especially the case in jurisdictions like Victoria, where the existing legislative and institutional safeguards are already substantial.

Federation plays a leading role in delivering education and opportunity across Ararat, Ballarat, Berwick, Horsham and Gippsland. Federation's governance arrangements involve deep connection to the communities we serve and enable the design and delivery of programs that are relevant, inclusive and workforce aligned.

I commend the Expert Council for its leadership on this important area of public policy for our sector.

Yours sincerely,



**Professor Duncan Bentley**  
Vice-Chancellor and President  
Federation University Australia