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Expert Council on University Governance

By email to: ExpertCouncilUniGov@education.gov.au

Strengthening University Governance: Expert Council on University Governance

Submission from Edith Cowan University

Edith Cowan University (ECU) welcomes the opportunity to provide a submission to the Expert Council on University Governance.

ECU is a large public university with a long-standing reputation for excellence in teaching quality and student satisfaction. ECU operates in compliance with Western Australian and federal legislation under the scrutiny of the Tertiary Education Quality and Standards Agency, the Australian Skills Quality Authority and other government agencies. The University is guided by its values of Integrity, Respect, Courage, Rational Inquiry and Personal Excellence.

ECU is committed to striving for best practice in its approach to governance. ECU receives consistently excellent results from the QILT student experience survey, our staff express high levels of satisfaction with ECU as an employer, and our prudent financial management is demonstrated by our consistent operating surpluses delivered in a challenging fiscal environment. We aim however to continually improve and strengthen our process and performance for the benefit of our students, staff and the wider community. We also recognise that improvements to governance may be necessary across the sector, particularly to enhance the perception of university governance by the wider community in the interests of maintaining our collective social license.

Where does governance most need to improve relative to your expectations of the role of Australian Universities?

Governance of Australian universities most needs to improve in the accountability of governing bodies to the communities served by the university – students, alumni, business and the broader community. This is more meaningful and valuable than increased accountability to external regulatory agencies, as these communities are directly impacted by governance lapses and any associated redress. Increased transparency and two-way communication between governing bodies and university communities will enable greater engagement from both sides and ensure issues are brought to governing bodies' attention and

addressed sooner. Student, staff, and other stakeholders' representatives on governing bodies need to take an expanded role to allow "engagement beyond the board room" to become embedded.

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

The composition of governing bodies is dependent on the enabling legislation of each provider and should comply with a minimum standard of representation in line with the Ministers' recommendations and the Code of Governance Principles (the Code), while ensuring that the expertise, background and experience of governing body representatives properly reflects the individual vision of the university and effectively contributes to the achievement of the university's strategy.

In addition, directions on the composition of governing bodies of public universities should require members to have appropriate public administration expertise, reflecting the accountability of the university as a public sector body and the public mission of universities to serve the wider Australian community. Guidance on composition must also support and maintain the differentiation of Australia's higher education providers. For example, the *Edith Cowan University Act* (WA) specifies that the University's committee structure must include an ECU South West Campus (Bunbury) Advisory Board and a Western Australian Academy of Performing Arts (WAAPA) Advisory Board, in recognition of ECU's history and culture. Governance homogenisation risks diluting or erasing the unique features of each institution.

Requirements for the composition of governing bodies may contribute to increased transparency and accountability to university communities, but this needs to be supported through processes that ensure that information from community members is received and information from their own discussions is shared. The details of such engagement mechanisms should be left to individual universities to determine, but could include regular surgeries where governing body members are available to discuss governance matters, regular feedback from elected members to their constituencies, and more transparent sharing of governing body discussions and thinking.

ECU's Council has resolved to adopt the UCC Code of Governance Principles and Practice for Australia's Public Universities (December 2024), and we recommend that other universities adopt the code and implement its principles.

While increased transparency in the setting of executive remuneration as outlined in the Code is welcomed, it is important that remuneration remains a matter for governing bodies, rather than an external tribunal or other body. Governing bodies have fiduciary responsibilities, of which executive remuneration is a core responsibility. Outsourcing this responsibility would undermine the ability of governing bodies to meet their responsibilities and to be held accountable for their recruitment decisions.

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

Public universities have been subject to persistent underinvestment by government, to the extent that typically 40 per cent of revenue is from non-government grant sources. The ongoing uncertainties and constraints on funding support from the Commonwealth Government has encouraged university workforce casualisation, the use of specialist consultants, and outsourcing of functions, in order to contain ongoing salary costs. This has limited the institutional expertise, commitment and stability needed for good governance to be valued.

Teaching funding is inadequate, government investment in research is among the lowest in the OECD and universities no longer receive dedicated infrastructure funding. This persistent and worsening underfunding challenges universities' ability to deliver their core business of world-class education and research, and to maintain and enhance the digital, physical and human infrastructure that large organisations require. This difficult environment has no doubt contributed to governance issues arising. Universities need to be adequately resourced if the rigor and redundancy of the systems and processes that underly good governance are to be maintained.

If you have any queries relating to the content of this response, please contact [REDACTED]

[REDACTED] at [REDACTED].

Yours sincerely,

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[REDACTED]

Chancellor
Edith Cowan University

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