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Council Secretariat

Expert Council on University Governance
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Go8 Submission on University Governance Principles and Recommendations

The Group of Eight (Go8) consents to the publication of this submission and has no wish for any of it to be treated as confidential.

The Go8, as Australia's research-intensive universities, conduct around 70 per cent of the university-based research in Australia, have extensive industry connections both here and overseas, and educate more than 500,000 students domestically and abroad. This makes us large and complex organisations which operate in different and sometimes difficult political, economic and global environments.

However, the services we provide to our students, our communities and the nation, not only support the development and success of industry and the future workforce, but provide the foundational and trusted connections that underpin Australia's reputation globally and across the Indo-Pacific region.

The Go8 supports the need for effective governance as a critical underpinning of our success, especially given the size and complexity of our operations. Appropriate checks and balances in a context of transparency and accountability are an important part of this process, provided they are effective and do not lead to over-regulation.

Go8 Recommendations:

Recommendation 1: that the Expert Council on University Governance clarify their role in the context of the Senate Standing Committee on *Education and Employment Quality of Governance at Australian Higher Education Providers* inquiry.

Recommendation 2: that the Council focus on identifying opportunities that will deliver tangible and substantial improvements in the sector, such as structural distortions currently inhibiting university capacity to deliver for Australia.

Recommendation 3: the Go8 strongly supports the University Chancellors Committee being represented on the Council and supports its inclusion in considerations of university governance.

Recommendation 4: the Tertiary Education Quality and Standards Agency (TEQSA) plays an important role in supporting higher education providers to operate with integrity and assurance. The Go8 therefore recommends that TEQSA is supported by government to perform this role effectively and to a standard that is world-leading.

Recommendation 5: That the expertise of the Commonwealth Remuneration Tribunal be used as a governance measure to review (but not set) Vice Chancellor salaries.



Recommendation 1: that the Expert Council clarify their role in the context of the establishment of the Senate Standing Committee inquiry into University Governance.

The Minister for Education, the Hon Jason Clare MP, first announced the establishment of the Expert Council in October 2024,¹ with membership released on the 23 January 2025. The Council was established to "provide expert and technical governance advice to Education Ministers about how to improve university governance and performance",² in accordance with Priority Action 5 of the Universities Accord.

The Senate Standing Committee inquiry was announced subsequently, on the 29 January 2025. 3

The Go8 therefore seeks clarity as to how the Expert Council and Senate inquiry are intended to work together, and how the Council will be engaged in the consideration of any recommendations or outcomes. While it is essential that good governance practices are established and maintained, it is equally essential that these practices are coherent, consistent and do not lead to activity that is unnecessary or potentially counterproductive.

Recommendation 2: that the Council focus on identifying opportunities that will deliver tangible and substantial improvements in the sector, such as structural distortions currently inhibiting university capacity to deliver for Australia.

The Go8 acknowledges that periodic review of governance structures is part of good governance. Governance should never be a "set and forget". We recommend however that such reviews should focus on opportunities for tangible improvements and addressing issues currently impeding universities from being as effective as we could be, such as:

- <u>Reviewing current policies and settings</u> so they can support sector growth while addressing the very real and ongoing structural issues represented in our distorted funding model. To be clear, the Go8 is *not* asking for more money; rather we are highlighting the opportunity for a governance review to focus on how the current model could be improved to enable better use of current resources.
- <u>Cutting unnecessary and burdensome red tape</u> that directs resources and attention away from reforms that could deliver tangible and substantial improvements to enable universities to better deliver for students, staff and communities.
- <u>Addressing the complexity of university governance under eight Australian jurisdictions</u>. Universities in Australia are founded by Acts of Parliament, mainly at State/Territory level with the Australian National University founded Federally. As such, they are subject to a range of legal and regulatory instruments spanning multiple areas of endeavour, some of which apply at the national level and some of which are specific to each state and territory. A non-exhaustive list of those at the federal level are provided in Attachment A.

Recommendation 3: the Go8 strongly supports the University Chancellors Committee being represented on the Council and supports its inclusion in considerations of university governance.

https://www.aph.gov.au/Parliamentary Business/Committees/Senate/Education and Employment/UniversityGovernance

 $^{^{1}\,\}underline{\text{https://ministers.education.gov.au/clare/university-chancellors-council-13th-national-conference-university-governance}}$

² https://ministers.education.gov.au/clare/strengthening-university-governance



Australian universities are led by a governing board (or senate or council), headed by a Chancellor, which provides oversight of governance matters. The University Chancellors Council (UCC), comprised of the Chancellors of all universities established under their own Act of Parliament, provides a forum for communication and discussion on key areas of governance within the university sector.

The UCC also oversees a range of processes and tools that promote greater transparency. These include access to Codes to assist in the delivery of best practice for governance, including A Code of Governance Principles and Practice for Australia's Public Universities; Voluntary Vice Chancellor and Senior Staff Remuneration Code; Model Code for the Protection of Freedom of Speech. This helps to provide consistency and coherence across the sector.

As such, it is highly appropriate that the UCC be included in considerations of effective university governance processes.

Recommendation 4: The Go8 recommends that TEQSA is supported by government to perform this role effectively and to a standard that is world-leading.

An effective, world class regulator should work to create a supportive environment that upholds and encourages quality and integrity. It should seek to ensure accountability and transparency without imposing undue burdens that can lead to an ineffective use or wastage of resources. Such a nuanced approach can bolster the sector's capacity to deliver exceptional outcomes for students, staff, and communities, while fostering an ecosystem where governance structures are both robust and unobtrusive.

Recommendation 5: That the expertise of the Commonwealth Remuneration Tribunal be used as a governance measure to review (but not set) Vice Chancellor salaries.

Leveraging the expertise of the Commonwealth Remuneration Tribunal in the review of Vice Chancellor salaries offers a balanced approach to ensuring fair and competitive remuneration. While the Tribunal's experience can provide valuable insights and benchmarks, the actual setting of salaries should rightly remain within the purview of the university's governing body. This body is best positioned to consider the unique mission and vision of the institution, the specific skills and qualifications required to achieve strategic goals, and the financial circumstances and sustainability of the university. By using the Tribunal's review as a guiding mechanism, universities can ensure that their salary structures are both equitable and aligned with broader governance principles, without relinquishing the autonomy necessary to make decisions that reflect their individual contexts and aspirations. (This is consistent with Priority Areas 2 and 10 of the Council's Ten Priority Areas.)

Please don't hesitate t	to contact me should		questions re / Executive	_	submission. I can	be contacted
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Yours sincerely						



Attachment A: Existing Federal Legislation

Universities are subject to a range of legal and regulatory instruments, spanning multiple areas of endeavour, some of which apply at the national level and some of which are specific to each state and territory. These include but are not limited to:

- The Higher Education Support Act 2003: governs higher education provision in Australia.
- Tertiary Education Quality and Standards Agency Act 2011: TEQSA is the regulatory body that awards and maintains registration to all providers wanting to provide higher education services in Australia. Providers who achieve registration are subject to review and re-assessment every 5 to 7 years.
- Higher Education Standards Framework (Threshold Standards) 2021: Set out the standards that a provider must meet to achieve and maintain registration in Australia.
- Education for Overseas Students Act (ESOS): sets out roles and responsibilities for any provider offering higher education services to international students.
- Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS): higher education providers and courses that enrol international students must be registered on CRICOS. Applications for CRICOS registration are assessed by TEQSA for quality standards.
- Australian Code for the Responsible Conduct of Research 2018: outlines the principles that characterise an honest, ethical and conscientious research culture. Compliance is a requirement for recipients of funding from the National Health and Medical Research Council (NHMRC) and Australian Research Council (ARC).
- Australia's Foreign Relations (State and Territory Arrangements) Act 2020: requires universities to register arrangements they may have with foreign governments or universities. This could include scholarships, student exchanges, articulation or pathway agreements or joint PhD arrangements.
- Defence Trade Controls Act 2012: Regulates the export and supply of military and dual-use goods and technologies; has relevance to areas of sensitive research.
- The Guidelines to Counter Foreign Interference in the Australian University Sector: designed to help universities implement risk-based mitigation strategies and build resilience against foreign interference attempts.
- A Model Code for the Protection of Freedom of Speech and Academic Freedom in Australian Higher Education Providers (The French Model Code): intended to support a culture of free speech and academic freedom in the Australian higher education sector.