

3 March 2025

Senate Education and Employment Legislation Committee

Inquiry into the quality of governance at Australian higher education providers

Dear Committee

Submission to the inquiry into the quality of governance at Australian higher education providers

On behalf of Universities Australia (UA), thank you for the opportunity to contribute to the inquiry into the quality of governance at Australian higher education providers. UA represents Australia's [39 comprehensive universities](#), all of which offer high-quality teaching and research experiences. Good governance is crucial for good universities, and every opportunity to embrace best practice in the oversight of such complex organisations is to be welcomed.

This Senate inquiry comes in addition to other initiatives aimed at improving university governance. UA was recently appointed to the Albanese Government's Expert Council on University Governance. We have also been working closely for a number of months with the Australian Higher Education and Industrial Association (AHEIA) and the National Tertiary Education Union (NTEU) on ways to ensure universities are exemplary employers, as recommended in the Australian Universities Accord final report.

Each of our members has been created by an Act of Parliament across nine jurisdictions, including Commonwealth and all states and territories. UA is open to assisting the committee with its inquiry, but it's important to note that governance and industrial relations matters largely fall outside of our remit.

University councils are responsible for governance, and they are represented by the University Chancellors Council (UCC). Meanwhile, AHEIA is the employer association for the higher education sector and specialises in industrial relations. A majority of UA's members also belong to AHEIA. We have encouraged both the UCC and AHEIA to make their own submissions to this inquiry.

What is important through this inquiry, and in other similar processes, is that we focus on real improvements and outcomes. All too often, we see issues tangentially linked to governance framed as such and utilised for political purposes. When this happens, it distracts from the major policy and funding discussions that we need our policy and decision makers to prioritise.

Universities are critical to Australia's growth and prosperity, but they are seriously underfunded at a time when our sector is being asked to do more heavy lifting to prepare Australia for the future. Student funding arrangements are inadequate, government investment in research has never been lower and universities no longer receive dedicated infrastructure funding. Our sector can't expand in line with Australia's growing need for skills and research under these conditions.

Debate over vice-chancellor salaries, for example, distracts from the conversation we need to have about funding our universities properly. Vice-chancellors lead major organisations that underpin local economies, support thousands of jobs, educate thousands of students and generate private revenue streams which are reinvested in support of Australian employment, education and research. Their salaries are set by university councils. I don't believe they should be the sole focus of parliamentarians, certainly not at the expense of the policies and funding needed to keep our universities strong.

I am concerned that the inquiry's terms of reference conflate governance and management responsibilities, particularly the terms of reference 'd' and 'e' which do not strictly relate to governance issues. This could open up a conversation that extends beyond the stated purpose of this inquiry. Universities are not above scrutiny, and this inquiry will explore important issues we should and will work through, but I urge the committee to reconsider the terms of reference to ensure they are not used for political purposes.

I also want to highlight that the inquiry's focus on the Tertiary Education Quality and Standards Agency's capacity to respond to and address governance issues may underplay the role of other jurisdictions. In addition to Commonwealth legislation, universities are bound by state or territory arrangements and rules relating to governance. The government's Expert Council on University Governance is exploring the complexity of these arrangements and I note that UA, AHEIA, UCC and the NTEU are represented in this forum. We are working closely with the Expert Council to support its work and to ensure it is a successful and valuable process.

I am happy to engage further with the committee to drive real improvements and outcomes for universities. Please don't hesitate to contact my office any time on 02 6285 8100 or by emailing ceo@uniaux.edu.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Luke Sheehy', written in a cursive style.

Luke Sheehy
Chief Executive Officer, Universities Australia