

**Submission
No 67**

INQUIRY INTO ENHANCING VICTORIAN UNIVERSITY GOVERNANCE

Organisation: Victorian Trades Hall Council

Date Received: 27 February 2026



universitygovernance@parliament.vic.gov.au



Luke Hilakari
Secretary

Danae Bosler
Assistant Secretary

Amanda Threlfall
Assistant Secretary

Wilhelmina Stracke
Assistant Secretary

Trades Hall
54 Victoria Street
Carlton 3053

Ph: 03 9659 3511
info@vthc.org.au
weareunion.org.au

THE VOICE OF WORKING VICTORIANS

The Joint Reform Proposal

The problems with university governance in Victoria are well documented and well understood. The higher education sector in Australia has been subject to significant recent examination through a range of public inquiries and consultations - including the 2024 University Accord and the Federal Senate Inquiry into University Governance.

Before these issues are explored in depth, Victorian unions begin by expressing their full support for the Joint Reform Proposal and Declaration of Principles put forward by both the National Tertiary Education Union, the National Union of Students and the Council of Australian Postgraduate Associations.

The Joint Reform Proposal (JRP) and its recommendations should be implemented in full. VTHC notes that the JRP proposal is structural in nature, tackling endemic rather than cosmetic issues in the sector, including:

- Lack of accountability,
- Exclusion of staff-student voice,
- Casualisation and exploitation,
- Concentration of managerial power,
- Non-transparency in decision-making, and
- Sidelining of First Nations and diverse voices.

The JRP is a well-considered and practical set of changes that goes to the heart of the issues in this sector. Key features of the proposal include:

- Publication of statements on donor appointments that exceed \$1m, alongside mitigation strategies for perceived influence.
- Prohibition against Vice-Chancellors holding external roles unless they can certify that these do not compromise their duties.
- Asserting the independence of academic governance bodies from senior management and private commercial interests.
- Amending legislation so as to increase the minimum number of elected staff members on university governance bodies to no less than 20% of total membership.
- The establishment of a Victorian Indigenous Higher Education Council, headed by a jointly appointed commissioner to provide advice on matters affecting indigenous staff and students.
- Regular meetings between Vice Chancellors / Senior Management with staff and unions through a Joint Standing Committee.
- That universities set five-year and three-year continuing employment targets (aspiring to 75% full-time equivalent).
- The publication of remuneration reports analogues to public company standards.

The Victorian Government should implement these proposals, along with the entire suite of proposed reform in the JRP as a launchpad for sector-wide revitalisation.

Recommendation 1: That the Victorian Government adopt the Joint Reform Proposal in full as a meaningful starting point for rebuilding the social license of Victorian universities.

A History of University Governance in Victoria

Shifts in Australian university governance have always been downstream of broader changes in how higher education is imagined as an institution. The classical conception of higher education in democratic society is one that emphasises:

- Education as a public good / a right of the citizen.
- Education as an instrument for achieving public ideals.
- Education as a means to uplift the moral and intellectual capacities of the population.
- Education as a civic, pedagogic and civilising project.

Between the years 1945-1983, higher education in Australia was conceived and governed, primarily, as a public good.

Institutions were overwhelmingly funded through the public purse, and although admission requirements were strict, most students received scholarships from State Education Departments and the Commonwealth to support their attendance.¹ The Whitlam era marked the closest Australia ever came to actualising the ideal of higher education as a public good. Tuition fees were abolished entirely, and a student living allowance was introduced to ensure access for students of all class backgrounds.²

In 1979, under the Fraser Government, a watershed report was published that represented a significant turning point in how Australia imagined its university sector. The *Williams Report*, followed by the *Dawkins Report* under Bob Hawke, reconceived the role and function of universities as:

- To facilitate national economic growth.
- To identify and fill workforce / skill needs.

It was at this point that tuition charges were re-introduced and fundamental management-level changes were implemented to university governance. These reforms, steadily undertaken over the course of two generations, set the groundwork for today's crisis of governance and legitimacy facing higher education institutions in Victoria today.

Higher Education after Neoliberalism

*Governance is financial, not pedagogical or civic, and its model and performance metrics are those of business corporations... The concept of the university as a public service and resources has been all but destroyed.*³

Governance regimes in today's universities are geared towards meeting ambiguously defined 'industry needs' and the perceived requirements of the global education market.⁴ In an environment where Commonwealth and State funding for higher education has persistently declined, a new managerial class has emerged which sees its role as maximising institutions' market share and financial performance.

¹ Quiggin, John. 2025. Submission 11, *Inquiry into the Quality of Governance at Australian Higher Education Providers*, p. 2.

² Ibid.

³ Lake, Stephen et. Al. 2022. "A Brief History of Australian Universities." *Social Alternatives*. Volume 41, No. 1, p. 12.

⁴ The Australia Institute. 2025. Submission 11, *Inquiry into the Quality of Governance at Australian Higher Education Providers*, p. 2.

For the senior managers, marketing specialists and management consultants who populate this class, there is no commitment in principle or in practice to the notion of university as a public ideal – or even as, fundamentally, an engine of knowledge education. For the new managerialiat, higher education is a commodity: campus is capital, academics are a resource, and students are consumers.

Recommendation 2: That the Victorian Government introduce new sections in the establishing Acts for public universities that explicitly specify their purpose as a public good.

Loss of Institutional Knowledge

The rise of marketisation has brought with it the rise of a new managerial class in higher education. This new managerial class dominates the governance and decision-making bodies of Victorian universities, and its members come largely from business backgrounds rather than academia.

The new managerialiat has imported into our university system a set of private sector habits, assumptions, practices and tendencies that do not align coherently with public service provision. It is estimated that 66% of Australian university council members have no professional experience in higher education.⁵

For this reason, the new managerialiat cannot be entirely blamed for importing commercial techniques to a sector where these are ill-suited. These are corporate professionals, not public servants.⁶ Their assumption is that ‘the performance of all organisations can be optimised by the application of generic management skills and theory.’⁷

The new managerialiat is defined by its transience: they do not emerge from the institutions that they dominate, nor do they stay in them for long. In the decades before neoliberal transformation, Vice Chancellors held their posts for a decade or longer. They often had academic backgrounds, or governed institutions through a collegiate approach where academics and deans were involved in decision-making.⁸ Today, most of the senior management stratum at Victoria’s universities are appointed on five-year contracts. Most of the time, these contracts are not renewed.⁹

In 2022, there were forty Australian Vice-Chancellors. The majority were appointed in 2018 or later.¹⁰ This constant turnover represents a profound leakage of institutional knowledge. It also entails an environment of unceasing disruption for the university community: constant restructures, efficiency drives and new cost-cutting initiatives are implemented without pause.¹¹

⁵ Pelizzon, Alessandro et. Al. 2021. “2 out of 3 members of university governing bodies have no professional expertise in the sector. There’s the making of a crisis” *The conversation*, 30 Nov 2021.

⁶ Quiggin, Submission 11, p. 7.

⁷ Ibid.

⁸ Lake, “A History of Australian Universities,” pp. 11-15.

⁹ Quiggin, John. *The Australia Institute*. April 2025. “Reforming university governance in Australia: Treating education and research as a public good to fix a broken sector.” Discussion Paper, p. 15.

¹⁰ Ibid.

¹¹ Bell, P. A., & Cornelius -Bell, A. 2024. “Rethinking capitalist governance of higher education towards an anarcho - syndicalist model for academia.” *Journal of Higher Education Policy and Leadership Studies*, Volume 5, No. 4, pp. 12-15.

It is not only that institutional knowledge is being squandered or ignored but also that it is actively being destroyed for future generations. The new managerialiat does not emphasise knowledge as a social good in and of itself. It values knowledge creation only insofar as it advances marketability, employability and competitive rankings. Entire schools and disciplines are merged, shrunk, consolidated or shut down because they are not seen as serving these ends. 'Savage redundancies' are inflicted on philosophy, history and music departments (see: Australian Catholic University, 2023). Whole areas of knowledge are discarded on the grounds of economic efficiency, leaving the nation's ability to tackle complex challenges hindered - political theory, languages and Asia-Pacific history are often placed first in the firing line.¹²

Lack of Accountability

Much of the disruption described above serves no purpose other than status-incentives and opportunism: to advance the career interests of the new managerial class. Again, it is important to emphasise that this group is not native to the higher education sector and have typically built their careers in the private sector:

Current governance arrangements in Australian universities misapply corporate and public sector governance models that are poorly aligned with the university's core purpose of knowledge creation.¹³

With every new senior leader comes a new 'vision' for the university: new priorities, new objectives, new points of emphasis. Each executive wants to leave their mark - but before these changes can even be realised (and thus critically assessed), they will typically have moved on to another role at a different university or a higher position at the existing one. Dismantling entire departments, slashing jobs and removing students access to millennia-old disciplines are dismissed as the cost of rationalisation, modernisation, and 'change.'

As noted by Dr. Maria Taflaga, Dr. Francis Markham and Distinguished Professor Keith Dowding in August 2025:

Unlike in parliamentary democracies, where voters are both principals who can replace elected representatives and beneficiaries of public services, or in publicly traded corporations, where shareholders can both dismiss directors at annual general meetings and enjoy the profits of the company, university councils are largely self-perpetuating bodies insulated from meaningful accountability.¹⁴

Victorian university councils operate in secrecy. They are not required to publish minutes or to rationalise their decisions publicly. The Victorian community has no access to information about how they make decisions, nor any means to challenge them. Additionally, and as noted by the NTEU in their submission, the current system leaves senior management officials effectively unaccountable. This is because university councils, which are supposed to provide oversight and accountability over these figures, are effectively dependent on them for information and advice.

¹² Australian Historians Association. 2025. *Inquiry into the Quality of Governance at Australian Higher Education Providers*, Submission 36, p. 1.

¹³ Taflaga, Maria, Dowding, Keith and Markham, Francis. 2025. *Inquiry into the Quality of Governance at Australian Higher Education Providers*, Submission 6, p. 1.

¹⁴ Ibid.

For the new manageriat, the university is a lucrative but temporary stepping stone of career advancement. For the academics, students and support staff who live and work on campus grounds – the institution is a home and a community facing constant attack. As the Australian Historians Association notes:

A competitive system encourages risk-taking in order to remain distinctive. Yet when these risks fail in a managerialist system, senior leadership accept no accountability for their failures: instead, university staff pay the price with their job.¹⁵

Recommendation 3: That the Victorian Government consult with unions, sectoral experts and the academic community to implement democratic recall mechanisms that allow members of the university community to declare positions vacant when they have lost confidence in senior leadership. This could occur through a formal petition process – where signatures from a majority of the institution’s academic staff, as well as a majority of students, are needed in order to declare a position vacant.

Recommendation 4: That the Victorian Government amends the enabling Acts of public universities to require senior leaders to conduct periodic decision-making assemblies where major decisions are openly explained and rationalised to the university community.

Recommendation 5: That the Victorian Government require the meetings of university councils or governing bodies to be held in public view either through in-person meetings or digital live streams so as to ensure scrutiny.

Centralisation of Power

In 2000, more than one third of positions on Australia’s university councils were elected. By 2020, this was down to a quarter.¹⁶ It is likely even lower in 2026.

By law, Victorian university councils are required to have at least one student and one staff representative. Not a single University in Victoria goes beyond this bare minimum figures. Despite the benefits of student-staff representation, no voluntary effort is being made to cultivate an environment where these groups are formally recognised as an invaluable source of insight and clarity. In fact, amongst Australian universities, the NTEU reports that Victorian institutions have the least number and proportion of staff and student managers.

As noted by the NTEU, there is a grave lack of institutional forums where the expression of staff and student views is facilitated. Senior management, whatever its flaws or merits, generally lack lived experience in the higher education sector. This renders them ignorant to risks, problems and failures that students and staff could easily have foreseen and prevented. Student and staff representation must be enhanced at the highest levels of university governance: not as a worthy ‘best practice’ ideal to strive towards, but as a compulsory feature of institutional design.

Recommendation 6: That the Victorian Government amend the establishing Acts of universities to mandate that a majority of university council/governing body officials are appointed via a democratic election of the student-staff community.

¹⁵ Australian Historians Association, Submission 36, p. 1.

¹⁶ The Australia Institute. 2025. *Inquiry into the Quality of Governance at Australian Higher Education Providers*. Submission 105, p. 21.

Recommendation 7: That the Victorian Government introduce mechanisms that allow for university governance bodies to receive immediate feedback from the university community about proposed major changes, such as a digital program for transparent voting on decisions that have university-wide consequences, along the lines of participatory decision-making frameworks used by some municipal governments.

Recommendation 8: That the Victorian Government introduce mandatory caps on senior executive remuneration. Senior executive pay should never exceed that of a State Premier and, ideally, should be indexed to the average worker at the university, i.e. it can never exceed 5x average pay. This would 'entail the end of pay scales based on private sector comparators for senior managers,' a core objective endorsed by Dr John Quiggin in his submission to the federal Senate inquiry.¹⁷

Workforce Casualisation

The strongest example of where staff-student voice could have prevented poor outcomes is with regards to job design and casualisation. The Department of Education's 2024 University Accord has noted that casualisation is a key factor in 'undermining the workforce' in Australian higher education.¹⁸ Casual employment in Australian universities includes staff engaged in contracts offering work that is paid by the hour without access to key entitlements or paid leave.¹⁹ Fixed-term contracts are another form of casualisation. These contracts offer longer-term positions and benefits not available to casual workers – but only for a defined period of time. Fixed-term contracts are not a serious solution to precarity, but 'a band aid' which fails to provide lasting security.²⁰

The problems involved with casualising university staff are very well understood – this is a global trend that has been unfolding over decades at varying levels of pace and intensity. Casualisation forces knowledge-producers to live in a constant state of precarity. They face a lack of support for professional development, a lack of support for career progression, institutional isolation, and perpetual insecurity.²¹ They are also at risk of acute psychosocial harms related to role overload and significant unpaid labour.

Casualisation undermines the production of knowledge itself – which is, ultimately, the first purpose of any university. Without job security, academic staff are forced to focus on research which is likely to receive funding, i.e. 'market ready.' Any room for creativity, intellectual experimentation and collaboration is significantly contracted. The casualised system restrains researchers from challenging knowledge boundaries in their fields or undertaking genuinely innovative projects.

Governments, the public and even the university community itself does not have access to a reliable headcount for the extent of casualisation in our higher education system. This is because universities report staff figures in terms of their full-time-equivalent. Some

¹⁷ Quiggin, "Reforming University Governance," p. 16.

¹⁸ Department of Education. (2024). Final report. <https://www.education.gov.au/australianuniversities-accord/resources/final-report>

¹⁹ Smithers, K., Harris, J., Heffernan, T., & Gurr, S. (2025). Decasualisation and the universities accord: an examination of university approaches. *Journal of Higher Education Policy and Management*, Volume 47, No. 3, p. 283.

²⁰ Smithers et. Al., "Decasualisation," p. 292.

²¹ Ibid.

estimates suggest around 41% of university employees are precarious (Dados et al., 2019); however, the NTEU estimates this number to be closer to 66%.²²

Prior to 2003, there were caps on the number of casual employees in universities and the hours for which precarious academics could be employed.²³ As early as 2006, the NTEU clearly spelled out the risks involved with tearing up these guardrails: teaching quality, staff wellbeing, student engagement and organisational culture would all suffer.²⁴ Despite 20 years of these concerns being dismissed, ignored or sidelined by many senior governance bodies, their validity is now beyond question:

- 69% of university staff members disagree that senior management consider employee psychosocial health to be as important as productivity.
- 82% ranked high or very high in emotional exhaustion.
- 80% agree that new policies and procedures aimed at cost cutting are constantly introduced.
- 71% work more than their contracted hours.

This survey examined 36 universities across Australia, and not a single one of them could be classified as a psychologically safe workplace. Victorian universities were among the lowest scoring in the sample.²⁵

Recommendation 9: That the Victorian Government explore options to re-introduce caps on the portion of university staff that can be hired on a casual/fixed-term basis and empower unions to enforce this cap through representation on Governance bodies (see: Recommendation 11).

Recommendation 10: That the Victorian Government introduce a summons power that allows members of the university community to force a member of senior management to appear before a public meeting and their rationalise decisions. The summons power may only be exercised under reasonable conditions: i.e., when there is reasonable concern of wage theft, serious psychosocial harm, executive misconduct or misuse of funds.

Wage Theft

The cost of poor university governance is so profound that it is difficult to capture in a single statistic. However, there is one figure which can provide a clear impression of the extent of the issue: 97,000 university staff have been affected by wage theft in Australia.²⁶ Wage theft is not an administrative error or an unfortunate procedural oversight. Wage theft is a criminal offence: poor governance is turning Australian academics into victims of crime on an industrial scale.

There is a litany of recent examples of this:

²² Smithers, "Decasualisation," p. 284.

²³ Ibid, p. 283.

²⁴ See: Tony Brown, James Goodman, Keiko Yasukawa. 2006. *National Tertiary Education Union*. "Getting the best of you for nothing": casual voices in the Australian academy."

²⁵ Dollard, M.F., Nesar, D., Lushington, K., Zadow, A. 2026. *Australian University Sector Report: Findings from the Australian University Census on Staff Wellbeing*. Technical Report, Adelaide University.

²⁶ Australian Historians Association, Submission 36, p. 2.

- The Fair Work Commission has found that the University of Melbourne breached the terms of its own enterprise agreement by forcing internal job candidates onto casual and fixed term contracts to compete against external applicants for permanency.²⁷
- In a recent Federal Court decision, Monash University was also found to have broken the law by failing to pay casual academics for student consultation work. This is despite consultation being a fundamental component of teaching – rightfully expected by students as a key feature of their education.
- This is the third tranche of wage theft at Monash since 2021. The University has admitted to underpaying more than 9,000 staff members more than \$17,600,000.²⁸
- In November 2025, Deakin University took responsibility for wage theft against hundreds of staff members. They agreed to compensate 440 casual staff \$2.9million in underpayments over eight years.²⁹

It is not possible for Victorian universities to have legitimate social license when these incidents continue to occur. The general public, the academic community and students are right to feel as though serious change is needed for these bodies to earn back public trust.

Recommendation 11: That the Victorian Government mandate union representation on university governing bodies as a means to prevent endemic wage theft in the sector. Union representation should occur in addition to staff representation requirements, not as an alternative to it. Union representation should be guaranteed for any union with notable industrial coverage over members of the university community – including non-academic staff such as cleaners and administrative support workers.

Conclusion

Universities will never have a social license until they are managed and administered like a social good. Until then, Victorian workers and the public at large will increasingly hold these institutions in the same regard as they hold most large corporations and business conglomerates: not as paragons of inspiration but as cynical entities undercutting themselves and each other for the sake of capital accumulation.

The value that universities have for Victoria is so expansive that it is effectively beyond measurement: universities lift the working-class out of poverty, they act as centres for economic activity, they enrich the cognitive, productive and intellectual faculties of society, they maintain Australia's ties to history, continuity and truth and they form a connective tissue between our national community and the wider world.

In university governance, as in so many other sectors, Victoria's experiment in self-regulation, voluntary compliance, and unfettered managerial power has resulted in catastrophe. By any measure, the time for reform is long overdue. The Joint Reform Proposal, alongside the recommendations proposed in this submission, provide a practicable route towards achieving this.

²⁷https://www.nteu.au/News_Articles/Media_Releases/Union_scores_major_win_for_secure_jobs_at_the_University_of_Melbourne.aspx

²⁸https://www.nteu.au/News_Articles/Media_Releases/NTEU%20scores%20massive%20win%20in%20Monash%20University%20wage%20theft%20case.aspx

²⁹https://www.nteu.au/News_Articles/Media_Releases/deakin_underpaying_staff.aspx

List of Recommendations

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³⁰ Quiggin, p. 16

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